DRAFT SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT/STATEMENT

(SCH No. 2000061079)

for the

COACHELLA VALLEY MULTIPLE SPECIES HABITAT CONSERVATION PLAN

and associated

NATURAL COMMUNITY CONSERVATION PLAN

Prepared For

Coachella Valley Conservation Commission
US Fish and Wildlife Service
California Department of Fish and Wildlife

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MAY 2013

COVER SHEET

DRAFT SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT/STATEMENT

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COACHELLA VALLEY MULTIPLE SPECIES HABITAT CONSERVATION PLAN NATURAL COMMUNITY CONSERVATION PLAN

May 30, 2013

Lead Agencies: Coachella Valley Conservation Commission
US Fish and Wildlife Service/Department of the Interior

Coordinating Agencies/Responsible Agencies: California Department of Fish and Wildlife, California Department of Parks and Recreation, California Department of Transportation, Coachella Valley Mountains Conservancy, Coachella Valley Water District, Desert Water Agency, Mission Springs Water District, Riverside County Flood Control and Water Conservation District, Riverside County Regional Parks and Open Space District, Riverside County Waste Management District, Imperial Irrigation District, County of Riverside, Coachella Valley Recreation and Parks District, the nine following cities: Cathedral City, Coachella, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs and Rancho Mirage.

Proposed Action/Proposed Project: The proposed Project is a Major Amendment to the approved CVMSHCP to include the City of Desert Hot Springs and Mission Springs Water District as Permittees of the Plan. The proposed action is the issuance of Take Authorization associated with the Major Amendment for Covered Activities that are not currently included under the existing federal Section 10(a) Permit and state NCCP Permit (Permits). This Major Amendment will restore the boundaries from the 2006 Final CVMSHCP for the Upper Mission Creek/Big Morongo Canyon Conservation Area that would be amended to include all of the private lands within the city limits of Desert Hot Springs.

Inquires or comments on this document should be directed to:

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Designation: Draft Supplemental Environmental Impact Report/Environmental Impact Statement (SEIR/SEIS)

Abstract: The Coachella Valley Multiple Species Habitat Conservation Plan and Natural Community Conservation Plan (MSHCP or Plan) boundaries encompass 1,205,839± acres, and a net planning area of 1,136,400± acres, excluding Indian Reservation lands not covered by the Plan. The Plan area extends from Cabazon area of the San Gorgonio Pass in the northwest, to

lands surrounding the northern portions of the Salton Sea to the southeast. The Plan area also includes mountainous areas and most of the associated watersheds surrounding the valley floor. The proposed Major Amendment Plan would add the City of Desert Hot Springs and the Mission Springs Water District as Permittees of the Plan. As a result, an additional 770 acres would be added to the Plan's Conservation Areas. The Plan's conservation Reserve System encompasses 747,600± acres comprised of 557,100± acres of existing public and private conservation lands (in 2006), and the acquisition and/or management of 166,580± acres of additional conservation lands.

The subject Draft Supplemental EIR/EIS provides an assessment and objective evaluation of environmental impacts of the "preferred" project and alternative projects set forth in the MSHCP. A Supplemental EIR/EIS is being prepared pursuant to CEQA Guidelines Section 15163 in order to provide the additional information necessary to make the previous EIR/EIS adopted in September 2007 adequate for the Major Amendment. This document will be considered as revisions to the previous EIR/EIS. Pursuant to the Initial Study/Environmental Assessment that was prepared in spring 2011, this Supplemental EIR/EIS will only address revisions to biological resources, land use and planning, socioeconomic and fiscal effects and transportation, traffic and circulation.

Coachella Valley MSHCP/NCCP
Draft Supplemental Environmental Impact Report/ Environmental Impact Statement

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Executive Summary:

The following document includes Sections 1 through 7 of the Draft Supplemental SEIR/SEIS for a proposed Major Amendment to the Coachella Valley Multiple Species Habitat Conservation Plan and Natural Community Conservation Plan (CVMSHCP). The proposed Project is a Major Amendment to the approved CVMSHCP to include the City of Desert Hot Springs and Mission Springs Water District as Permittees of the Plan. The proposed action is the issuance of Take Authorization associated with the Major Amendment for Covered Activities that are not currently included under the existing federal Section 10(a) Permit and state NCCP Permit. This Major Amendment will restore the boundaries from the 2006 Final CVMSHCP for the Upper Mission Creek/Big Morongo Canyon Conservation Area that would be amended to include all of the private lands within the city limits of Desert Hot Springs.

The subject Draft Supplemental EIR/EIS provides an assessment and objective evaluation of environmental impacts of the "preferred" project and alternative projects set forth in the MSHCP. A Supplemental EIR/EIS is being prepared pursuant to CEQA Guidelines Section 15163 in order to provide the additional information necessary to make the previous EIR/EIS adopted in September 2007 adequate for the Major Amendment. This document will be considered as revisions to the previous EIR/EIS.

The Draft SEIR/SEIS prepared for the Project addresses those issues identified as a result of the Initial Study/Notice of Preparation and Federal Register review process, including a public scoping period in spring 2011. The SEIR/SEIS was prepared in accordance with NEPA (40 Code of Federal Regulations [CFR] 1500–1508), Title 14, California Code of Regulations (CCR), Section 15000 et seq., as amended, and the California Public Resources Code, Section 21000 et seq., State CEQA Guidelines, as amended.

Based on the analysis contained in the Initial Study Checklist and comments received, it was determined that the SEIR/SEIS should focus on biological resources, land use, socioeconomic and fiscal impacts, and traffic and circulation.

Note: The 2008 CVMSHCP capitalized defined terms that were listed in the approved Plan. For consistency, this SEIR/SEIS also capitalizes these defined terms. The definitions can be found at: http://www.cvmshcp.org/Plan%20Documents/05.%20CVAG%20MSHCP%20Plan%20Definitions.pdf

1.0 INTRODUCTION

A comprehensive Multiple Species Habitat Conservation Plan (MSHCP)/Natural Community Conservation Plan (NCCP) for the Coachella Valley in Riverside County, California, was prepared by the Coachella Valley Association of Governments (CVAG) in cooperation and coordination with the Coachella Valley cities, Riverside County, the California Department of Fish and Wildlife (CDFW), U.S. Fish and Wildlife Service (USFWS), California State Parks, Caltrans, the National Park Service (NPS), Bureau of Land Management (BLM), and U.S. Forest Service (USFS). The Planning Agreement that initiated this effort was signed in 1996.

In February 2006 the Final Coachella Valley Multiple Species Habitat Conservation Plan (the Plan or CVMSHCP) and Final Environment Impact Report/Environmental Impact Statement (EIR/EIS) were released for review and approval by the participating jurisdictions and agencies. However, the City of Desert Hot Springs (City) voted not to approve the Plan in June 2006. Subsequently, the CVAG Executive Committee rescinded its approval of the Plan and directed that Desert Hot Springs be removed as a Permittee. A revised Plan was prepared and recirculated that removed the City of Desert Hot Springs and made other modifications consistent with direction from the CVAG Executive Committee. These changes included a Special Provisions Area within the City of Desert Hot Springs in support of conservation for a wildlife habitat corridor and additional habitat necessary to accomplish the Conservation Goals and Objectives of the Plan, and included a 1,200 foot wide corridor for Riverside County Flood Control and Water Conservation District's (County Flood Control) planned Morongo Wash flood control facility.

The revised and recirculated CVMSHCP was approved by CVAG and the Coachella Valley Conservation Commission (CVCC) in September 2007 and subsequently by all local Permittees by the end of October 2007. The state Permittees (Caltrans, Coachella Valley Mountain Conservancy, and California State Parks) approved the Plan and all Permittees signed the Implementing Agreement as of March 2008. The Final Recirculated CVMSHCP, which did not include Desert Hot Springs, received final state and federal permits as of October 1, 2008.

In a reversal of their June 2006 decision to opt-out of the Plan, the City Council of Desert Hot Springs reconsidered their decision and unanimously approved a Memorandum of Understanding (MOU) in October 2007, stating the parties' mutual intent to enter into negotiations for the City to join the CVMSHCP as a Permittee after the Plan was officially adopted. The MOU was subsequently approved by the CVCC, CVAG, and the County of Riverside as of February 2008.

Subsequent to the Desert Hot Springs decision, the Mission Springs Water District (MSWD) has also made the decision to become a Permittee of the Plan and the addition of both agencies will be evaluated in this document. MSWD has an approximately 135 square mile service area that is

situated in the City of Desert Hot Springs, unincorporated areas of Riverside County, and the City of Palm Springs. Currently, projects within the MSWD territory that are authorized by Riverside County or the City of Palm Springs are covered by the Plan and projects within MSWD territory that are under the jurisdiction of Desert Hot Springs or MSWD are not covered by the Plan. The regional context of the MSWD and Desert Hot Springs boundaries within the overall Plan area are shown on Figure 1-1. Figure 1-2 shows the City and MSWD boundaries along with proposed Conservation Area boundary changes.

As described in more detail below, this joint Supplemental Environmental Impact Report/Environmental Impact Statement (SEIR/SEIS) addresses changes to the September 2007 Final Recirculated Coachella Valley CVMSHCP EIR/EIS that did not include Desert Hot Springs or MSWD as Permittees.

1.1 Project Summary

The proposed Project is a Major Amendment to the approved CVMSHCP to include the City of Desert Hot Springs and MSWD as Permittees of the Plan. The proposed action is the issuance of Take Authorization associated with the Major Amendment for Covered Activities that are not currently included under the existing federal Section 10(a) Permit and state NCCP Permit (Permits). This Major Amendment will restore the boundaries from the 2006 Final CVMSHCP for the Upper Mission Creek/Big Morongo Canyon Conservation Area that would be amended to include all of the private lands within the city limits of Desert Hot Springs. The private lands to be included total approximately 770 acres that were removed from this Conservation Area when Desert Hot Springs chose not to participate in 2006. The city limits of Desert Hot Springs also include two parcels in the Whitewater Canyon Conservation Area that are both owned by BLM and are currently managed consistent with the Plan, therefore no additional disturbance associated with the Major Amendment will occur in this area.

The Morongo Wash Special Provisions Area designation would be removed and the affected area would be subsumed into the Upper Mission Creek/Big Morongo Canyon Conservation Area within the City; however, a minimum 1,200 foot wide corridor area provided for the planned Morongo Wash flood control facility would remain. MSWD will also be added as a Permittee and all lands within MSWD boundaries will be included in the Plan. The result would be minor Conservation Area boundary changes such that additional lands within the Upper Mission Creek/Big Morongo Canyon Conservation Area would be managed consistent with the Plan. More importantly, the City of Desert Hot Springs will be responsible for exercising its land use authority to ensure the goals and objectives of the Plan are met. MSWD will also be responsible as a Permittee to ensure the Conservation Goals and Objectives of the Plan are met.

As part of this Major Amendment, both the City and MSWD have requested that a number of projects within their boundaries be established as Covered Activities as provided for in the Plan (refer to Tables 2-1 and 2-2). Covered Activities include certain activities carried out or conducted by Permittees, Participating Special Entities, Third Parties Granted Take Authorization, and others within the Plan Area, as described in Section 7 of the CVMSHCP. These Covered Activities will receive Take Authorization under the Section 10(a) Permit and the NCCP Permit, provided they are otherwise lawful. Project details including proposed Covered Activities and changes to Conservation Area boundaries are further discussed in Section 2.0 of this SEIR/SEIS.

As Permittees under the Plan, both the City and MSWD would be responsible for ensuring compliance with the required Avoidance, Minimization, and Mitigation Measures for Covered Activities within Conservation Areas as outlined in Section 4.4 of the Plan. These measures have been developed and incorporated into the CVMSHCP to avoid, minimize, and mitigate impacts to Covered Species, associated Habitat, natural communities, and Essential Ecological Processes. Therefore, under the Major Amendment both the City and MSWD will ensure the conservation, monitoring and management, and mitigation consistent with the CVMSHCP, of the land to be added back into the Conservation Area. Under the current approved CVMSHCP, conservation within the city limits of Desert Hot Springs relies on acquisitions of private land by willing sellers. This Major Amendment will make the City of Desert Hot Springs a full partner in the Plan, responsible for exercising their land use authority and collecting fees to ensure implementation of the Conservation Goals and Objectives.

In addition to the required Avoidance, Minimization, and Mitigation Measures and Land Use Adjacency Guidelines (refer to Sections 4.4 and 4.5 of the existing Plan), Section 6.6.1 of the Plan specifies certain other obligations of all Local Permittees for lands within and outside Conservation Areas. These obligations ensure compliance with all terms and conditions of the CVMSHCP including achievement of the Plan's Conservation Goals and Objectives and Required Measures in each Conservation Area. The CVMSHCP also ensures that Permittees are responsible for collecting funds generated by the Local Development Mitigation Fees; that habitat preservation is occurring roughly proportional to development as defined in the Rough Step requirements; that public and private projects comply with all applicable Required Measures in Section 4.4 of the Plan; and that Reserve Assembly occurs as contemplated in the CVMSHCP.

Certain other obligations are outlined for Permittees that own and administer lands within Conservation Areas including water agencies such as Coachella Valley Water District (CVWD) and Imperial Irrigation District (IID). Consistent with those obligations as outlined in Section

6.6.1 of the Plan, MSWD has committed to conservation measures for the acres they own in the Conservation Areas and other measures for activities outside Conservation Areas.

MSWD has also agreed to contribute a total of $350,000 toward the CVMSHCP as specified in Section 6.6.1 of the Plan to support the Monitoring Program, the Management Program, and Adaptive Management. This may be paid in full the first full fiscal year after approval of the Major Amendment, or it may be paid in installments over a maximum of five years, beginning in the first full fiscal year after approval of the Major Amendment.

1.2 Lead Agencies

CVAG served as the lead agency responsible for project compliance with the California Environmental Quality Act (CEQA) for the previous environmental documents associated with the approved 2007 Recirculated EIR/EIS for the Plan. However, the Coachella Valley Conservation Commission (CVCC), as the established administrator for the CVMSHCP will function as the lead agency ensuring compliance with CEQA for this SEIR/SEIS. The U.S. Fish & Wildlife Service (USFWS) is the federal lead agency responsible for project compliance with the National Environmental Policy Act (NEPA).

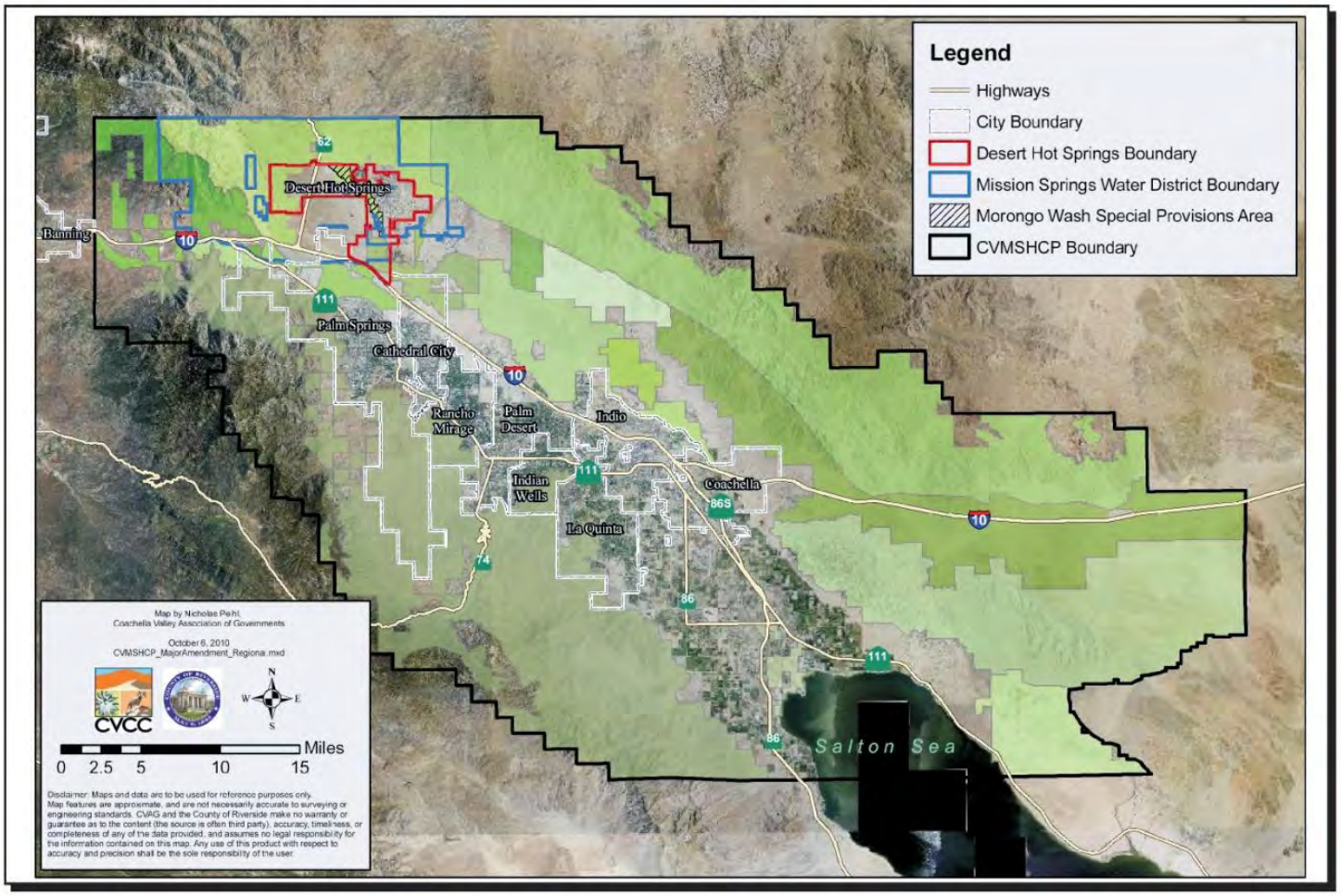
1.3 Purpose and Need for Revised CVMSHCP

The USFWS proposed action analyzed in this Draft SEIR/SEIS is to consider the issuance of an amended Section 10(a)(1)(B) permit that designates the City of Desert Hot Springs and the Mission Springs Water District as permittees under the CVMSHCP. The amended permit would authorize the City and MSWD to incidentally take Covered Species resulting from their proposed Covered Activities. The USFWS purpose for taking action is to provide a means whereby the ecosystems upon which endangered and threatened species depend may be conserved and to provide a program for the conservation of such species for the continued benefit of the American people. The USFWS need for taking action is to respond to permit requests by determining whether or not to issue or amend permits for Covered Species related to activities that have the potential to result in incidental take, pursuant to Section 10(a)(1)(B) of the federal Endangered Species Act and its implementing regulations and policies. In making permit decisions, USFWS needs to ensure the survival and recovery of endangered and threatened species affected by proposed Covered Activities. The USFWS decision to amend the incidental take permit would be based on approval of the proposed amendment to the CVMSHCP.

As discussed above, the City of Desert Hot Springs and the Mission Springs Water District have expressed a desire to become Permittees of the CVMSHCP subsequent to the final approvals by state and local Permittees in 2007 and the state and federal lead agencies in 2008. This Major

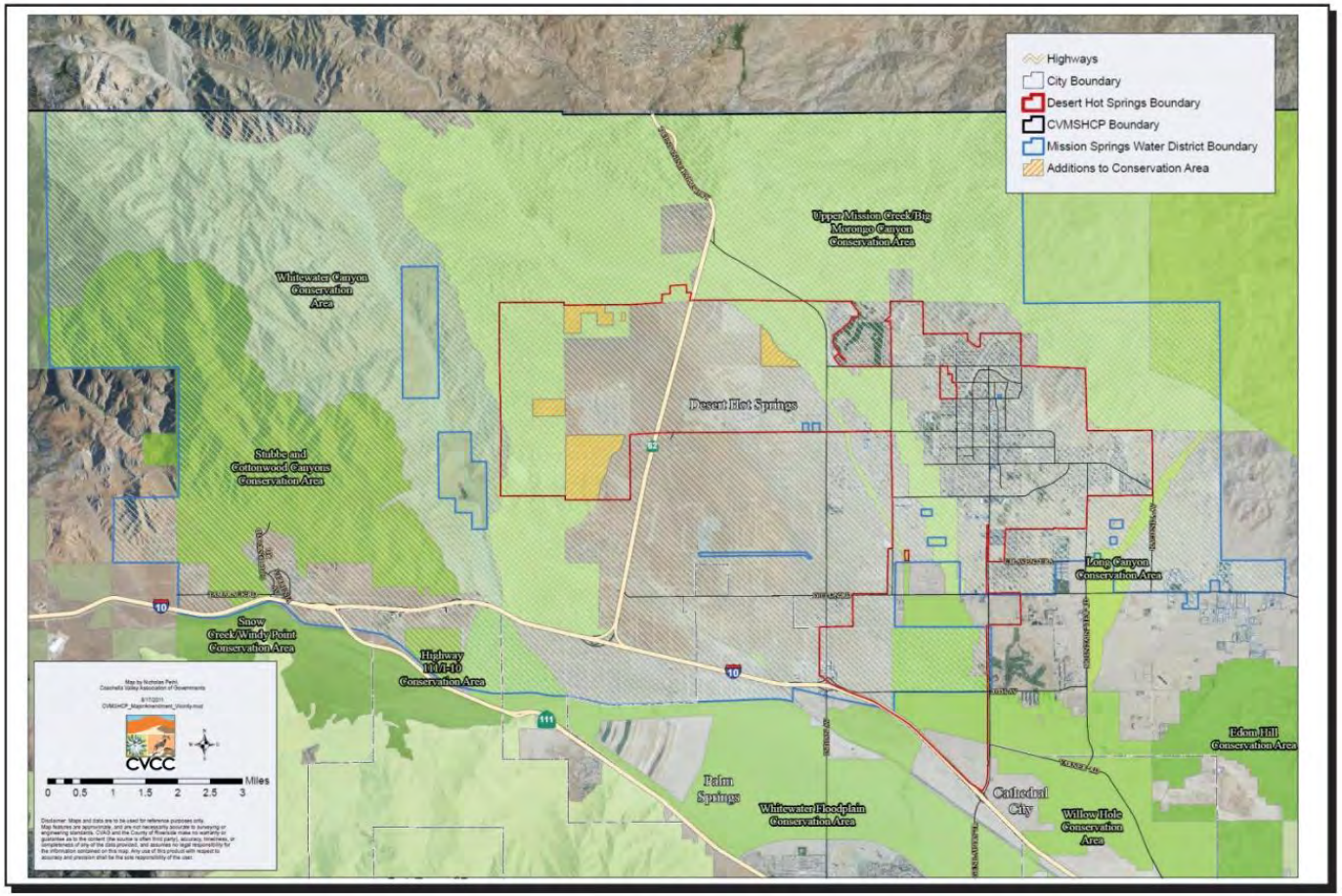
Amendment is necessary to incorporate the City and MSWD into the Plan as Permittees, define their obligations, commitments, and Covered Activities consistent with the original Plan, and authorize Take associated with their Covered Activities. As Permittees, the City and MSWD will benefit from the CVMSHCP as they become part of this effort to enhance and maintain biological diversity and ecosystem processes while allowing future economic growth within the Coachella Valley. The CVMSHCP allows preservation of a quality of life characterized by well-managed and well-planned growth integrated with an associated open-space system.

As Permittees, the City and MSWD will assist in creation of sustainable conservation areas that protect endangered and threatened species and the habitats upon which they depend. This approach provides that project mitigation is directed to those areas most critical to maintenance of ecosystem function and species viability. This ecosystem or natural community based approach protects general biological diversity in the Plan Area, resulting in healthier ecosystems, reduces conflicts with development activities, and reduces the potential for additional species to be listed in the future.



Coachella Valley Multiple Species Habitat Conservation Plan Major Amendment
Regional Location Map

FIGURE 1-1



Coachella Valley Multiple Species Habitat Conservation Plan Major Amendment
Vicinity Map

FIGURE 1-2

Each Permittee participating in the Plan is a signatory to the Implementing Agreement (IA), which is an obligation among the individual Permittees, CDFW, and USFWS. Upon issuance of the Permit, the Permittees are granted Take Authorization for otherwise lawful activities addressed in the CVMSHCP, such as development, that may result in Take. Local Permittees are also required to ensure future development is consistent with the CVMSHCP.

Local Development Mitigation Fee

In 2011, the CVCC completed a new Fee Nexus Study to address a number of significant changes in the assumptions used in the 2007 Fee Nexus Study. The 2011 Fee Nexus Study produced a financial plan that resolves the long term funding issues of the CVMSHCP. The LDMF may now be used for any plan related expenses including land acquisition, land management, and biological monitoring. The overall acquisition period has been increased from 30 years to 45 years although it is anticipated that all the priority acquisitions will be completed in approximately 30 years. The LDMF collection period has been increased from only the first 50 years of the permit to the full 75 year term of the permit. As Desert Hot Springs is expected to become a Permittee in the near future, the 2011 Nexus Study calculated the LDMF both with and without the City. Should the City become a Permittee under the Plan, the LDMF will decrease by 8% throughout the Plan area.

1.4 Project Objectives

The specific objective of the Major Amendment is to add the City of Desert Hot Springs and MSWD as Permittees of the Plan. In so doing, all of the private lands within the city limits of the City of Desert Hot Springs will be included, thus restoring the 2006 boundaries of the Upper Mission Creek/Big Morongo Canyon Conservation Area within city limits. In addition, as Permittees of the Plan, Desert Hot Springs and MSWD will contribute to the overall goals and objectives of the CVMSHCP along with the other Permittees within the Plan Area. Desert Hot Springs and MSWD will be included in the state and federal Incidental Take permits issued for species covered by the CVMSHCP in lieu of the current case-by-case development review process, as it relates to biological resources. At the same time, the proposed Major Amendment will bring lands within the city limits of Desert Hot Springs into the CVMSHCP's comprehensive biological resource conservation strategy that provides adequate assurance of habitat conservation and long-term viability and protection of Covered Species.

1.5 Purpose of the Supplemental EIR/EIS

Section 6.12 of the Plan describes procedures for processing CVMSHCP Modifications, Like Exchanges to Conservation Areas, and Minor or Major Amendments to the CVMSHCP.

Modifications include Clerical Changes that do not change the intended meaning and corrections of any maps or exhibits to correct insignificant errors in mapping; Land Use Changes include adoption and amendment of general plans, specific plans, community plans, zoning ordinances and similar land use ordinances; and Adaptive Management Changes are changes to avoidance, minimization, compensation and CVMSHCP Conservation Area management strategies developed consistent with the Adaptive Management Program in Section 8 of the Plan. None of these modifications require any amendment to the CVMSHCP.

Like Exchanges are changes proposed by a Permittee to modify the boundary of one or more Conservation Areas in exchange for reducing or modifying the boundary of a Conservation Area. A Like Exchange must result in equal or greater benefits to Covered Species and conserved natural communities as compared to those benefits analyzed in the Plan. If the Wildlife Agencies concur with the Like Exchange Analysis that finds it results in equal or greater benefits to Covered Species, then an Amendment to the CVMSHCP is not required.

Minor Amendments are amendments to the CVMSHCP of a minor or technical nature where the effect on Covered Species, level of Take, and Permittees' ability to implement the CVMSHCP are not significantly different than those described in the CVMSHCP as originally adopted. Minor Amendments to the CVMSHCP shall not require amendments to the IA or the Permits.

Major Amendments are those proposed changes to the CVMSHCP and the Permits that are not Modifications, Like Exchanges or Minor Amendments as described in Section 6.12 of the Plan. Major Amendments to the CVMSHCP shall require a subsequent amendment to the IA and the Permits, and public notice as required by applicable laws and regulations. The CVCC shall submit any proposed Major Amendments to the Wildlife Agencies.

Major Amendments include, but are not limited to, the following:

1. All amendments not contemplated in the IA as modifications or Minor Amendments to the CVMSHCP, except subsequent minor changes which are not specifically listed as a Minor Amendment in the IA that the Wildlife Agencies have determined to be insubstantial and appropriate for implementation as a Minor Amendment.
2. Changes to the boundary of the CVMSHCP Plan Area.
3. Addition of species to the Covered Species list.
4. Changes in anticipated CVMSHCP Reserve Assembly or funding strategies and schedules that would have substantial adverse effects on the Covered Species.

The proposed Project meets the requirements of a Major Amendment because it involves changes to the Upper Mission Creek/Big Morongo Canyon Conservation Area, adds two new

Permittees under the Plan, and increases Authorized Take for some Covered Species and natural communities. The boundary of the CVMSHCP Plan Area does not change but Desert Hot Springs will have the responsibility of using its land use authority in the Conservation Areas within the city limits. Major Amendments require the same process to be followed as the original CVMSHCP approval. This process includes California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) compliance.

Section 15162 of the State CEQA Guidelines, states that when an EIR has been certified for a project, no subsequent EIR shall be prepared for the project unless the lead agency determines one or more of the following: 1) Substantial changes are proposed in the project that involve new significant effects, a substantial increase in the severity of previously identified significant effects; 2) Substantial changes occur in the circumstances under which the project is undertaken involve significant new or increased effects; or 3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete shows any of the following:

(A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

(D) Mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

CVCC, the lead agency responsible for state environmental compliance, has determined that since none of the above circumstances are anticipated to occur with the revised CVMSHCP, a Supplemental rather than Subsequent EIR is appropriate. The NEPA guidelines indicate that an agency must prepare a supplement to either a draft or final EIS if it makes substantial changes in the proposed action that are relevant to environmental concerns, or if there are significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts (CEQ NEPA Regulations, 40 C.F.R. § 1502.9(c)). In this case, the EIR/EIS being supplemented is the September 2007 Final Recirculated EIR/EIS for the Coachella Valley Multiple Species Habitat Conservation Plan (State Clearinghouse #200061079). The document

was certified by CVAG on September 10, 2007, and a Record of Decision was signed by USFWS on October 1, 2008. The approved Plan and associated environmental documents are available for review at http://www.cvmshcp.org/. As such, this joint Supplemental Environmental Impact Report/Environmental Impact Statement (SEIR/SEIS) addresses changes to the September 2007 Final Recirculated Coachella Valley CVMSHCP EIR/EIS that did not include Desert Hot Springs or MSWD as Permittees of the Plan.

1.6 Environmental Issues Analyzed in the SEIR/SEIS

This joint SEIR/SEIS has been prepared to address changes to the September 2007 Final Recirculated EIR/EIS that did not include Desert Hot Springs or MSWD as Permittees of the Plan. Per Section 15163 of the State CEQA Guidelines the supplement to the EIR need contain only the information necessary to make the previous EIR adequate for the project as revised. As such, this SEIR/SEIS focuses only on changes to the Final Recirculated EIR/EIS and on those environmental topics most likely to be affected by the Plan revisions as discussed in Section 2.0. For purposes of the SEIR/SEIS, the September 2007 Final Recirculated EIR/EIS shall be incorporated by reference pursuant to Section 15150 of the CEQA Guidelines.

The SEIR/SEIS prepared for the Project addresses those issues identified as a result of the Initial Study/Notice of Preparation (NOP) (Appendix A) and Federal Register review process (see below) and in accordance with NEPA (40 Code of Federal Regulations [CFR] 1500–1508), Title 14, California Code of Regulations (CCR), Section 15000 et seq., as amended, and the California Public Resources Code, Section 21000 et seq., State CEQA Guidelines, as amended. Based on the analysis contained in the Initial Study Checklist and comments received, it was determined that the SEIR/SEIS should focus on biological resources, land use, socioeconomic and fiscal impacts, and traffic and circulation.

1.7 Public Participation and Scoping Process

In compliance with NEPA, USFWS posted a Notice of Intent (NOI) in the Federal Register on March 30, 2011, and in accordance with CEQA Guidelines, a NOP was prepared by the CVCC and sent to the State Clearinghouse on March 30, 2011, for distribution to responsible state agencies. The NOP was also posted in the Desert Sun Newspaper on March 31, 2011, to inform the public of the proposed Major Amendment and Supplemental EIR/EIS being prepared. These actions initiated the 30-day public scoping period for the Project, which officially ended on May 2, 2011. The scoping process provides an opportunity for the lead agencies and the public to provide comments on the issues and scope of the SEIR/SEIS. The CVCC also held a public scoping meeting on April 4, 2011, at the Carl May Community Center in Desert Hot Springs, to further provide the public and other interested parties information on the CEQA and NEPA

process and to give them opportunities to identify environmental issues and alternatives for consideration in the SEIR/SEIS.

2.0 PROJECT DESCRIPTION

2.1 Proposed Action/Preferred Alternative

As indicated in Section 1.0, the Proposed Action and Preferred Alternative (Project) is considered a Major Amendment to the approved CVMSHCP to establish the City of Desert Hot Springs (City) and the Mission Springs Water District (MSWD) as Permittees of the Plan and issue Take Authorization under the Section 10(a) Permit associated with the Major Amendment activities. The Amendment to add the City as a Permittee of the Plan proposes that the Plan provisions and boundaries will be primarily based on the February 2006 CVMSHCP that included Desert Hot Springs, with modifications as described in the September 2007 Final Recirculated CVMSHCP to provide for Riverside County Flood Control and Water Conservation District's (County Flood Control) future flood control facility. The Upper Mission Creek/Big Morongo Canyon Conservation Area boundary would be amended to include all of the private lands within the City limits of Desert Hot Springs that were removed in 2006. The private lands to be added to restore the 2006 boundary of this Conservation Area total approximately 770 acres. Adding the City as a Permittee will require a Major Amendment to the Plan in accordance with the requirements outlined in Section 6.12.4 of the Plan, Major Amendments.

The 4,000 acre area annexed to the City from the County of Riverside on September 12, 2010 will not be included in the analysis in this Supplemental Environmental Impact Report/Environmental Impact Statement (SEIR/SEIS) because this area was analyzed in the 2007 Final Recirculated CVMSHCP EIR/EIS. However, the Fiscal Impact Analysis discussed in Section 4.3 of this SEIR/SEIS included data on the land use designations applicable to these lands, and whether the land was vacant or developed.

In addition, the Mission Springs Water District (MSWD) has also opted to become a Permittee to the Plan. The MSWD has proposed that a number of planned water and sewer infrastructure projects be included as Covered Activities under the CVMSHCP. Covered Activities include certain activities carried out or conducted by Permittees, Participating Special Entities, Third Parties Granted Take Authorization, and others within the CVMSHCP area, as described in Section 7 of the CVMSHCP, that will receive Take Authorization under the Section 10(a) Permit and the NCCP Permit, provided these activities are otherwise lawful. The City also has proposed that a number of roadway improvement projects be included in the Plan as Covered Activities. Details of the proposed Covered Activities are described in Section 2.3.

As discussed in more detail in Section 1.5 of this SEIR/SEIS, the Proposed Action meets the requirements of a Major Amendment and therefore requires the same process to be followed as the original CVMSHCP approval including CEQA/NEPA compliance. As such, although no

significant impacts related to the proposed Major Amendment are anticipated, this joint SEIR/SEIS will be prepared to address changes to the September 2007 Final Recirculated CVMSHCP EIR/EIS, which did not include Desert Hot Springs or MSWD as Permittees of the Plan. The U.S. Fish & Wildlife Service will serve as the federal lead agency ensuring compliance with the NEPA Guidelines and the Coachella Valley Conservation Commission (CVCC) will function as the regional agency ensuring compliance with CEQA. The CVCC is a joint powers authority made up of representatives of the Permittees to provide primary policy direction for implementation of the CVMSHCP, as set forth in Section 6.1.1 of the CVMSHCP. Although CVAG functioned as the state lead agency for the approved September 2007 Recirculated EIR/EIS, the CVCC, as the established Plan administrator, will serve as the state lead agency for this SEIR/SEIS.

The Major Amendment to the CVMSHCP to include the City and MSWD has been prepared concurrent with the SEIR/SEIS. An Initial Study Checklist/Notice of Preparation (NOP) was prepared for the Project and circulated for a 30-day public review and comment period beginning on April 1, 2011. As indicated in that document (Appendix A), none of the CEQA/NEPA environmental topics were anticipated to be potentially significant or likely to require mitigation beyond what is outlined in Section 4.4 of the Plan (avoidance, minimization, and mitigation requirements for Covered Activities within the Conservation Areas). However, based on comments received during the NOP review period, an effort was made to identify measures to ensure the continued viability of mesquite hummocks as a natural community and to enhance the Monitoring Program contained in Section 8.4 of the Plan as it pertains to mesquite hummocks. Further details can be found in Section 4.1 of this SEIR/SEIS. As part of the Major Amendment, both the City and MSWD would be responsible for ensuring compliance with the required avoidance, minimization and mitigation measures for Covered Activities within Conservation Areas as outlined in Section 4.4 of the Plan. These measures have been developed and incorporated into the CVMSHCP to avoid, minimize, and mitigate impacts to Covered Species, associated Habitat, natural communities, and Essential Ecological Processes. Therefore, the Major Amendment will provide conservation, monitoring and management, and mitigation consistent with the CVMSHCP for the approximately 770 acres of private lands to be added back into the Conservation Area.

The Plan also incorporates Land Use Adjacency Guidelines as described in Section 4.5 to avoid or minimize indirect effects from Development adjacent to or within the Conservation Areas. Such indirect effects are commonly referred to as edge effects, and may result from noise, lighting, drainage, intrusion of people into the adjacent Conservation Area, and the introduction of non-native plants and non-native predators such as dogs and cats.

In addition to the required Avoidance, Minimization, and Mitigation Measures and Land Use Adjacency Guidelines, Section 6.6.1 of the Plan specifies certain other obligations of all Local

Permittees for lands within and outside Conservation Areas. These obligations include the following:

- ***Within Conservation Areas***
  - -- Ensure achievement of the Plan's Conservation Goals and Objectives and Required Measures in each Conservation Area identified in Section 4.3 and attainment of the Species Conservation Goals and Objectives identified in Section 9.
  - -- As described in Sections 4.1.2 and 4.2.2.2.1, conserve Local Permittee owned land in the Conservation Areas. Except as otherwise set forth in this section, the Local Permittees shall commit their currently not-conserved lands to conservation in perpetuity within 3 years of Permit issuance.
  - -- Existing and future lands on which the County Flood Control has Take Authorization for construction, operation, and maintenance of facilities that are Covered Activities will be conserved only to the extent compatible with the construction, operation, and maintenance of the facilities.
  - -- Participate in the Joint Project Review Process for projects within Conservation Areas as described in Section 6.6.1.1 and implement the Land Use Adjacency Guidelines described in Section 4.5.
  - -- Upon request from the Wildlife Agencies, the Local Permittees shall provide (a) an analysis and determination of consistency with the Plan at the time of, and along with, certification of applicable CEQA documents for approval of Development projects within Conservation Areas and (b) a copy of the final project approval documents within 30 days.
  - -- Applicable Permittees will employ HANS as described in Section 6.6.1.2 as appropriate.
  - -- Jurisdictions that received Take Authorization for the Coachella Valley fringe-toed lizard pursuant to the Incidental Take Permit issued for that species pursuant to the CVFTL HCP will relinquish the Permit and comply with Section 6.6.1.3 and IA Section 16.2.

- ***Within and Outside Conservation Areas***
  - -- Ensure that habitat preservation is occurring in rough proportionality with Development and that Reserve Assembly occurs as contemplated in the CVMSHCP.
  - -- Ensure compliance for public and private projects with all applicable Required Measures in Section 4.4.
  - -- If a project shares a common boundary with a Conservation Area, require compliance with Land Use Adjacency Guidelines set forth in Section 4.5.
  - -- Ensure compliance with Plan requirements for public projects.

-- Impose adopted Local Development Mitigation Fees. The Local Permittees shall be responsible for collecting all revenues generated within their respective jurisdictional boundaries for Plan implementation and transferring those revenues to CVCC within thirty (30) days of collection.

-- Adopt an appropriate Plan implementation mechanism as set forth in Section 11.1 of the IA.

-- Maintain a record of total acres and location of Development within its jurisdiction and transmit this information to CVCC monthly. The undeveloped portions of parcels in Conservation Areas on which Development is approved by a Permittee shall count toward meeting the CVMSHCP's Conservation Objectives only when the undeveloped portion of the parcel is legally described and permanently protected through an appropriate Legal Instrument, and provision is made for the land to be monitored and managed pursuant to the CVMSHCP's Monitoring Program and Management Program. Review of individual Development projects will occur in accordance with the Implementation Manual.

-- At the end of each calendar year, convey any changes in city boundaries or general plan land use designations to CVCC for inclusion in its Annual Report to the Wildlife Agencies.

-- Take will be allocated by the relevant Permittee(s).

-- On parcels approved for Development, the Permittees shall encourage the opportunity to salvage Covered sand-dependent species in accordance with the Implementation Manual.

Certain other obligations are outlined for Permittees that own and administer lands within Conservation Areas including water agencies such as Coachella Valley Water District (CVWD) and Imperial Irrigation District (IID). Consistent with those obligations as outlined in Section 6.6.1 of the Plan, MSWD has committed to conservation measures for the approximately 61 acres that they own in the Conservation Areas and other measures for activities outside Conservation Areas. The proposed measures to be included in the Major Amendment include the following:

- Lands on which MSWD has Take Authorization for O&M of facilities that are Covered Activities will be conserved only to the extent compatible with the O&M of the facilities.

- For future projects *outside the Conservation Areas*, MSWD may commit an equivalent dollar value of its lands in the Conservation Areas to permanent Conservation in lieu of paying the Local Development Mitigation Fee. These lands are not subject to the requirement that Local Permittee-owned lands that are not currently conserved must be committed to Conservation in perpetuity within 3 years of Permit issuance.

- For future facilities (listed in the attached Table 1) that are Covered Activities *in a Conservation Area* for which MSWD is the lead agency, MSWD may commit an equivalent dollar value of its lands in the Conservation Areas to permanent conservation in lieu of paying the Local Development Mitigation Fee. CVCC will continue to be responsible for ensuring that the Conservation Area Conservation Objectives are met.

- If before Year 45 of Plan implementation, MSWD still owns land in the Conservation Areas that has not been conserved by any of the foregoing methods, MSWD shall cooperate with CVCC in the conservation of these lands through acquisition by CVCC or other means.

- Conservation will be accomplished through conveyance of fee title to CVCC, recordation of a conservation easement or other legal instrument, or entering into an MOU for cooperative management with CVCC.

- It is understood that some portion of MSWD's 61 acres will be needed for future facilities including permanent operational sites. These future facilities will require limited area; MSWD agrees to cooperate with CVCC to ensure that these facilities are consistent with the CVMSHCP Conservation Goals and Objectives, required measures, avoidance, minimization, and mitigation measures, and land use adjacency guidelines as applicable.

Additional specific MSWD obligations are discussed in Section 4.1.4 of this SEIR/SEIS. These additional obligations will be added to Section 6.6.1 of the Plan should this Major Amendment be adopted. These obligations include contribution of $110,000 to the CVCC to provide for the permanent monitoring and management of the MSWD lands in the Conservation Areas in perpetuity as required by the CVMSHCP, including removal of invasive species and monitoring of mesquite hummocks. MSWD will also provide funds to support monitoring and analysis of groundwater levels in the amount of $120,000, provide funds to CVCC to be used for the removal of non-native tamarisk from the Willow Hole Conservation Area in the amount of $100,000, and provide $20,000 toward a study being conducted by CVCC on the feasibility of mesquite restoration and development of a mesquite restoration plan.

2.2 Plan/Permit Amendments and Boundary Adjustments

The currently approved CVMSHCP acknowledges that over the life of the Permit, the Permittees may wish to amend the Plan. Such amendments are to be processed pursuant to the guidelines outlined in Section 6.12 of the Plan, including the Major Amendment analyzed in this document. Figure 1-2 in Section 1.0 shows the existing Conservation Area boundaries and proposed

changes to the Conservation Area boundaries that will be affected by the Major Amendment.

2.3 Covered Activities

The City of Desert Hot Springs and MSWD have proposed that the projects shown in Tables 2-1 and 2-2 be listed as Covered Activities in the Major Amendment. City of Desert Hot Springs proposed Covered Activities are roadway improvement projects and MSWD proposed Covered Activities include construction of wells, water storage facilities, water transmission lines, recycled water lines, and sewer lines. Those projects within or adjacent to Conservation Areas would be given Take Authorization subject to incorporation of the Avoidance, Minimization, and Mitigation measures and Land Use Adjacency Guidelines required by the Plan and any specific measures developed under the Major Amendment.

2.4 Take Authorization for Covered Activities

The Major Amendment proposes certain projects, categorized as Covered Activities in accordance with procedures under the existing Plan, which would receive Take Authorization. As indicated in the approved CVMSHCP, Covered Activities are of two types: 1) projects within Conservation Areas; and 2) those projects outside Conservation Areas. The development permitted or approved by Local Permittees includes, but is not limited to, new projects approved pursuant to county and city general plans including the circulation element of said general plans, transportation improvement plans for roads in addition to those addressed in Section 7.2 of the Plan, master drainage plans, capital improvement plans, water and waste management plans, the County's adopted Trails Master Plan, and other plans adopted by the Permittees.

The Take Authorization that would be granted to Desert Hot Springs would allow limited development, consistent with CVMSHCP Conservation Goals and Objectives, in the Conservation Areas. However, the approved CVMSHCP assumed that 10% of the Special Provisions Area within the Upper Mission Creek/Big Morongo Canyon Conservation Area would not be conserved, since Desert Hot Springs is not currently a Permittee. A slight increase in authorized disturbance within Conservation Areas provided for in the Major Amendment would result from the covered projects identified for Mission Springs Water District. Take outside Conservation Areas was analyzed in the 2008 Plan (Coachella Valley Association of Governments 2007) such that the amount of disturbance outside Conservation Areas analyzed under the CVMSHCP Permit will not increase, as it was assumed in the Recirculated Plan that this disturbance would occur even though Desert Hot Springs and Mission Springs Water District were not Permittees. However, through this Major Amendment, an additional 770 acres would be added to the Conservation Area and conserved, managed, and monitored consistent with the CVMSHCP. Section 4.1.4 of this document provides more discussion of the additional

conservation and authorized disturbance proposed in this Major Amendment.

The Covered Activities for each respective agency are shown on Tables 2-1 and 2-2. The location of these Covered Activities, which occur both within and outside the Conservation Areas, is shown in Figures 2-1 and 2-2.

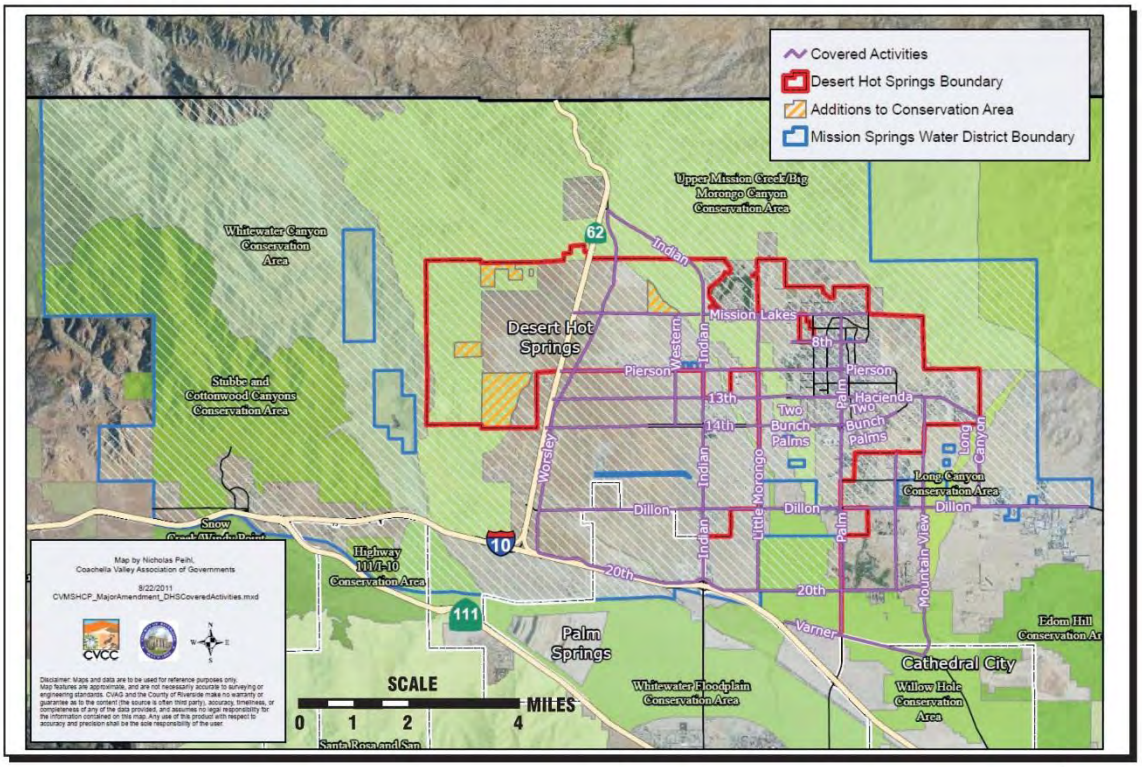
Table 2-1
City of Desert Hot Springs Proposed Covered Activities

Roadway Project
Palm Dr. north of Pierson Blvd., south of Mission Lakes Blvd.
Indian Ave. north of 20th Ave., south of 19th Ave.
Indian Ave. north of 19th Ave., south of Dillon Rd.
Indian Ave. north of Dillon Rd., south of 14th Ave./Two Bunch Palms Tr.
Indian Ave. north of 14th Ave./Two Bunch Palms Tr., south of Pierson Blvd.
Indian Ave. north of Pierson Blvd., south of Mission Lakes Blvd.
Indian Ave. north of Mission Lakes Blvd., southeast of Worsley Rd.
Little Morongo Rd. north of Pierson Blvd., south of Mission Lakes Blvd.
Little Morongo Rd. north of 14th Ave./Two Bunch Palms Tr., south of Pierson Blvd.
Little Morongo Rd. north of Dillon Rd., south of 14th Ave./Two Bunch Palms Tr.
Mountain View Rd. north of Dillon Rd., south of Hacienda Ave.
Mountain View Rd. north of 20th Ave., south of Dillon Rd.
Dillon Rd. east of Palm Dr., west of Mountain View Rd.
Dillon Rd. east of Mountain View Rd., west of Bennett Rd.
Pierson Blvd. east of Hwy 62, west of Indian Ave.
Pierson Blvd. east of Indian Ave., west of Little Morongo Rd.
Pierson Blvd. east of Little Morongo Rd., west of Palm Dr.
Mission Lakes Blvd. east of Indian Ave., west of Little Morongo Rd.
Mission Lakes Blvd. east of Little Morongo Rd., west of Verbena Dr.
13th Ave./Hacienda Ave. east of Little Morongo Rd., west of Palm Dr.
13th Ave./Hacienda Ave. east of Palm Dr., west of Mountain View Rd.
Mountain View Rd. north of Varner Rd., south of 20th Ave.
Long Canyon Rd. north of Dillon Rd. to Hacienda Ave., west to Mountain View Rd.
14th Ave./Two Bunch Palms Tr. east of Indian Ave., west of Little Morongo Rd.
14th Ave./Two Bunch Palms Tr. east of Little Morongo Rd., west of Palm Dr.
14th Ave./Two Bunch Palms Tr. east of Palm Dr., west of Miracle Hill Rd.
Dillon Rd. east of Hwy 62, west of Indian Ave.
Dillon Rd. east of Indian Ave., west of Palm Dr.
20th Ave. east of Worsley Rd, west of Indian Ave.
20th Ave. east of Indian Ave., west of Little Morongo Rd.
20th Ave. east of Little Morongo Rd., west of Palm Dr.
20th Ave. east of Palm Dr., west of Mountain View Rd.
13th Ave./Hacienda Ave. east of Hwy 62, west of Indian Ave.
13th Ave./Hacienda Ave. east of Indian Ave., west of Little Morongo Rd.

Roadway Project
Little Morongo Rd. north of 20th Ave., south of Dillon Rd.
Mission Lakes Blvd. east of Hwy 62, west of Indian Ave.
Palm Dr. north of Varner Rd., south of 20th Ave.
Palm Dr. north of 20th Ave., south of Dillon Rd.
Palm Dr. north of Dillon Rd., south of 14th Ave./Two Bunch Palms Tr.
Pierson Blvd. east of Palm Dr., west of Miracle Hill Rd.
Pierson Blvd. east of Miracle Hill Rd. to Mountain View Rd., south to Hacienda Ave.
14th Ave./Two Bunch Palms Tr. east of Hwy 62, west of Indian Ave.
Varner Rd. south east of Little Morongo Rd., west of Palm Dr.
Worsley Rd. north of 20th Ave., south of Dillon Rd.
Worsley Rd. north of Dillon Rd., south of 14th Ave./Two Bunch Palms Tr.
Worsley Rd. north of 14th Ave./Two Bunch Palms Tr., south of Pierson Blvd.
Worsley Rd. north of Pierson Blvd., south of Indian Ave.
Varner Rd. east of Palm Dr., west of Mountain View Rd.
Bubbling Wells Rd. north of 20th Ave., south of Calle Campanero
8th Street east of Alignment of Golden Eagle Dr., west of Verbena Dr.
Western Ave. north of 14th Ave., south of Mission Lakes Blvd

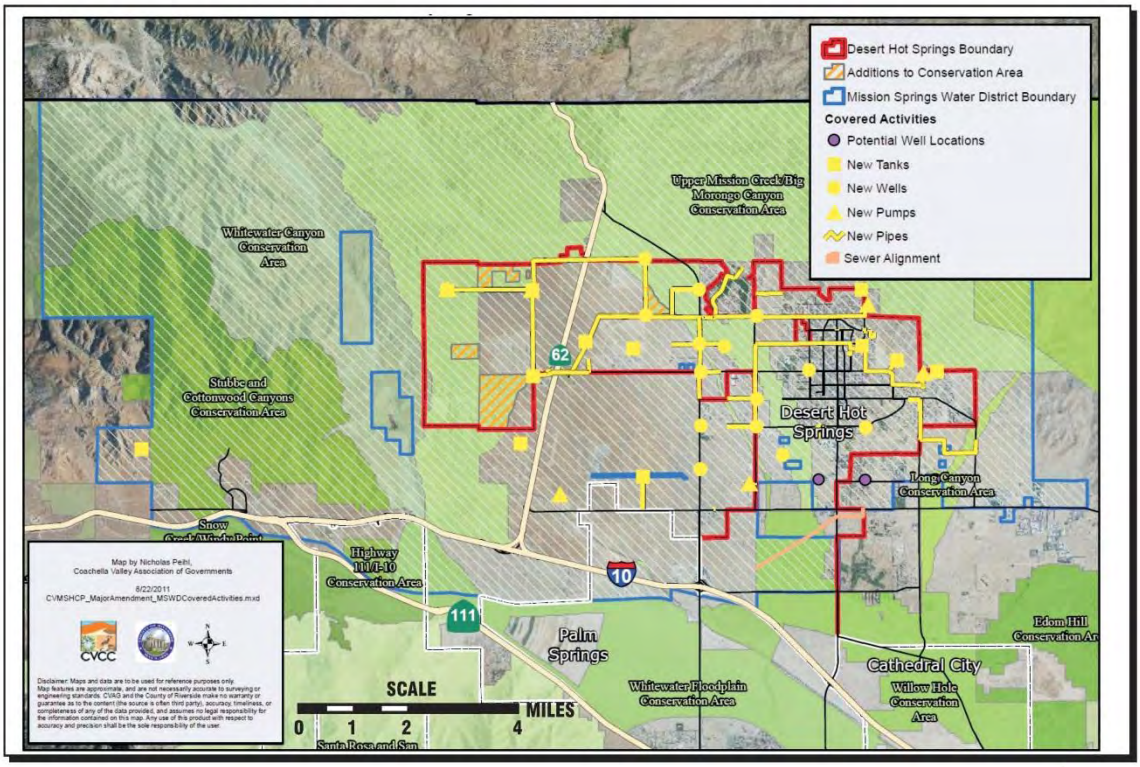
Table 2-2
Mission Springs Water District Proposed Covered Activities

913 / 1070 Pressure Zone - Two wells and one reservoir.
1400 Pressure Zone-2 New Wells, 3 Water Transmission Lines-Little Morongo Road
1530 Pressure Zone-New Water Transmission Line-Indian Avenue to the north of Mission Lakes Boulevard
1700 Pressure Zone-1 Water Storage Reservoir-north of Verbena Drive
1875 Pressure Zone-3 Water Storage Reservoirs-
2035 Pressure Zone-3 Water Storage Reservoirs, 3 Water Transmission Lines-west of Highway 62, north of Mission Lakes Boulevard
2155 Pressure Zone-1 Water Storage Reservoir and one water transmission line -West of Mission Creek Trails project
Network of sewer main lines along Dillon Road to Palm Drive and onto Indian Avenue.
One sewer trunk line under the 62 freeway down Dillon Road to Diablo, and then to 18th Avenue
Recycled Water and Purple Pipe lines – Pipe #1 from the future Regional Wastewater Treatment Plant. Pipe #2 from the Horton Wastewater Treatment Plant.



Coachella Valley Multiple Species Habitat Conservation Plan Major Amendment
Desert Hot Springs Covered Activities

FIGURE 2-1



Coachella Valley Multiple Species Habitat Conservation Plan Major Amendment
Mission Springs Water District Covered Activities

FIGURE 2-2

2.5 Alternatives to the Proposed Action

In developing alternatives to be addressed in this SEIR/SEIS, consideration was given regarding their ability to: (1) meet the USFWS purpose and need for deciding whether to amend the CVMSHCP and permit; (2) meet the basic objectives of the Project described in Section 2.0; and (3) eliminate significant environmental impacts as identified in Section 4.0 of this SEIR/SEIS.

Pursuant to CEQA Guidelines, Section 15126.6(e)(2), CEQA requires that an environmentally superior alternative, other than the No Project Alternative, be identified in an EIR, after comparing the potentially significant impacts of each alternative as compared to the Proposed Project. NEPA requires that in addition to the agency's Preferred Alternative, the *environmentally preferable* alternative be identified.

As discussed in detail in Section 7.0, this document supplements the approved September 2007 Recirculated EIR/EIS that discusses a wide range of alternatives to the CVMSHCP that

considered approving the Plan without the City of Desert Hot Springs as a Permittee. The Proposed Action/Preferred Alternative is considered the environmentally superior alternative under CEQA and the environmentally preferred alternative under NEPA because it is the only alternative that would meet the primary objectives of the Project, which is adding both Desert Hot Springs and Mission Springs Water District as Permittees of the Plan. Amending the CVMHCP and permit as proposed would be the environmentally preferable alternative because adding these two new permittees would provide a more comprehensive and cohesive Plan that would benefit the Covered Species and natural communities protected within the Plan Area. Furthermore, no significant environmental impacts of the Proposed Action/Preferred Alternative have been identified in this SEIR/SEIS.

Therefore, the alternatives discussed in the approved September 2007 Recirculated EIR/EIS provide sufficient analysis and no further alternatives other than an updated No Action/No Project Alternative are considered in this SEIR/SEIS for the Plan Amendment. However, each of the environmental topics discussed in Section 4.0 provide an analysis of whether the proposed Major Amendment would change any conclusions contained in each of the alternatives. These alternatives include a Public Lands Alternative; Core Habitat with Ecological Processes Alternative; and an Enhanced Conservation Alternative.

3.0 ENVIRONMENTAL SETTING/AFFECTED ENVIRONMENT

Introduction

In accordance with Section 15125 of the CEQA Guidelines and Section 1502.15 of NEPA, the general environmental setting or affected environment for the Project area is provided in this section. More detailed descriptions of the setting specifically pertaining to each environmental issue are provided at the beginning of each impact issue area addressed in Section 4.0.

3.1 Existing and Surrounding Land Use

Existing Land Use

City of Desert Hot Springs

The City of Desert Hot Springs is located in the northwestern portion of the Coachella Valley in Riverside County. The City is generally bounded by the San Bernardino Mountains west of Highway 62, the Little San Bernardino Mountains to the north, Long Canyon Road on the east and Interstate 10 on the south (refer to Figure 1-2). The incorporated City limits, which are subject to analysis in this SEIR/SEIS, encompass approximately 23 square miles.

The City also recently annexed approximately 4,000 acres (the I-10 Annexation area) of unincorporated territory, previously under Riverside County's jurisdiction, into the City's municipal service boundaries. The I-10 Annexation area is mostly vacant desert lands, interspersed with low density residential, commercial, light industrial, and wind energy uses. The annexation did not include or authorize any site-specific development projects, capital improvements, community facilities, or other forms of development. The I-10 Annexation was approved by the Riverside County Local Agency Formation Commission (LAFCO) on September 12, 2010. This increased the size of the City from approximately 23 square miles to approximately 29.3 square miles. However, the roughly 6.3 square mile annexation area is not included in the analysis in this document since the City of Desert Hot Springs was delegated Permittee status for the affected area by the CVCC as part of the annexation process. This action involved a transfer of existing conservation lands and Permittee status from the County to the City; no new Conservation Area or additions to the overall Plan Area were created because the Conservation Area within the annexation area was already included in the CVMSHCP through Riverside County as a designated Permittee. Consistent with Section 12.21 of the CVMSHCP Implementing Agreement, the City has adopted the Local Development Mitigation Fee, to be levied on new development within the annexation area, and has committed to implementing the

applicable Conservation Goals and Objectives, and minimization measures of the Plan within the affected annexation area. In addition, the existing County of Riverside General Plan policies have been retained so that the present rules governing land uses in the affected annexation area will not change. Pursuant to state law, the land use designations within the annexation area cannot be changed for two (2) years following approval of an annexation. Future development within this area will be subject to independent environmental review and subject to the applicable Conservation Goals and Objectives, and minimization measures of the Plan. Consequently, the approximate 6.3 square mile annexation area is not included in this analysis as it is already subject to the provisions of the CVMSHCP.

Most of the area within the city limits that is currently developed is located in the eastern portion of the City generally in the vicinity of Mission Lakes Boulevard on the north, Dillon Road on the south, Indian Avenue on the west, and Mountain View Road to the east. The majority of the developed area includes a mix of lower density, single-family and multi-family residential uses within subdivisions. There are also older, individually-built homes and higher density condominiums, apartment dwellings, and mobile home parks. This is the part of the City that also contains the majority of retail/commercial uses and public facilities such as schools, police and fire departments, and city government. There are also a number of hotels and resorts/spas in this area. The portion of the City generally to the west of Little Morongo Road contains scattered single family homes and residential subdivisions in between expanses of open desert land.

Mission Springs Water District

Mission Springs Water District (MSWD) provides water and sewer service to an approximately 135 square mile area and a population of approximately 30,000. The area served by MSWD is located in the northwestern portion of the Coachella Valley and encompasses the entire incorporated city limits of Desert Hot Springs, unincorporated areas of Riverside County, and a small area of the northern portion of Palm Springs. The northern boundary extends to the Riverside County line; the western boundary generally follows the limits of the Morongo Indian Reservation and the southern and eastern boundaries abut the Coachella Valley Water District (CVWD) boundaries (Refer to Figure 1-2).

Surrounding Land Use

Land uses surrounding the Major Amendment area are primarily under the County of Riverside's land use authority, with a limited area near the southwest portion of Desert Hot Springs that is under the City of Palm Springs jurisdiction. Unincorporated County areas north of the City are designated Desert Areas near the base of the Little San Bernardino Mountains, Mountainous

Areas within the foothills, and Water Resources along Mission Creek and Morongo Wash. Existing land use in this area consists of large expanses of rugged, undeveloped desert.

Adjoining County lands to the west are also designated as Mountainous Areas within the foothills of the San Bernardino Mountains, Desert Areas in low-lying areas at the base of the mountains, and Water Resources along the Whitewater River. Existing land use in this area consists of windfarm development, and scattered low density, single-family homes within the unincorporated community of Painted Hills.

Areas south of the City include a combination of lands managed by Riverside County and the City of Palm Springs. Palm Springs jurisdictional lands south of Desert Hot Springs and north of the I-10 Freeway are primarily designated for windfarm, industrial and related development, with the exception of a small area near the northwest corner of I-10 and Indian Avenue, which has been designated for commercial uses. Palm Springs lands immediately south of I-10 and north of the Union Pacific Rail line, including portions of the Whitewater River have Limited Industrial, Conservation and Desert designations. Existing land uses in this area include the I-10 Freeway, windfarm facilities, electrical substations and regional transmission line corridors, along with general commercial and light industrial uses at the southwest corner of the Indian Avenue and I-10 interchange. County lands south of Desert Hot Springs are designated for commercial, a mix of residential, industrial and water resources. Existing land uses in these areas include more windfarm facilities and vacant desert land.

Adjoining Riverside County lands to the northeast of Desert Hot Springs include Mountainous Areas, with low density residential and limited commercial lands to the immediate east and southeast. These areas are primarily undeveloped, with scattered low density residential development. Land use changes resulting from the Major Amendment process are discussed in Section 4.2 of this document.

Topography

The physical character of the City and MSWD planning area is largely defined by the San Bernardino Mountains and Little San Bernardino Mountains to the west and north respectively. Hydrologic processes emanating from these adjacent mountain ranges have created washes that drain toward the valley floor creating alluvial fans and plains, sand dunes, and rocky sand fields. The City is situated on a gently sloping alluvial fan with a consistent slope trending from the foothills in the north toward the valley floor in the south. The Major Amendment area varies greatly in elevation and topographic features, with elevations ranging from approximately 2,800 feet above sea level within the foothills of the Little San Bernardino Mountains in the northeast,

to approximately 580 feet above sea level near the I-10/Palm Drive interchange near the southern portion of the Major Amendment area. Other mountain ranges visible from the City include the San Jacinto Mountains to the south and southwest, and the more distant Santa Rosa Mountains further south and southeast.

Climate

The climate of the area affected by the proposed Major Plan Amendment is similar to the overall Coachella Valley which is characterized as an arid desert type climate, with hot summers, mild winters, and very little annual rainfall. Precipitation is less than 6 inches annually and occurs mostly in the winter months and in the late summer months from thunderstorms. The majority of precipitation generated by these storms falls on the adjoining mountain slopes, resulting in generally higher rainfall in the western and northern portions of the Major Amendment area. Daytime temperatures in the valley can reach 125 degrees on the desert floor, while winter nights can fall to sub-freezing temperatures. The mountainous areas bounding the valley are generally cooler than the valley floor, averaging approximately a 5 degree reduction for every 1,000 foot rise in elevation. Consequently, temperatures found in the northern and western regions of the Major Amendment area are slightly cooler on average than temperatures at the lower elevations in the south. During the winter season, daytime highs are quite mild, although dry air is conducive to nocturnal radiational cooling, with early morning lows around 40 degrees.

The Major Amendment area is exposed to frequent gusty winds. The extreme aridity of the region combines with the coastal air masses that are funneled through the San Gorgonio Pass located southwest of the Major Amendment area, and creates strong wind conditions throughout the area, typically in the spring months of April through June. The strongest and most persistent winds typically occur immediately to the east of the San Gorgonio Pass, which is noted as a wind power generation resource area.

Revised Plan Area

As shown on Figure 1-2, there are five separate areas proposed to be added to the Upper Mission Creek/Big Morongo Canyon Conservation Area within the City limits that together total approximately 770 acres. Four of these added areas are located in the western portion of the City limits west of State Route 62. The three smaller portions of this area are currently designated as Residential Estate, 1 dwelling per 10 acres (RE-10) in the City's General Plan adopted in 2000. These parcels are currently undeveloped. The largest of the four parcels is designated as a combination of Industrial-Energy Related and Open Space-Mountain Reserve. It is largely vacant except for some wind energy development along several ridgelines. The final added area

is located in the north-central portion of the City just north of Mission Lakes Boulevard and west of Mission Creek. The current land use designation is Residential Low Density (0-5 du/ac) with a Specific Plan Overlay. This parcel is presently undeveloped. The City's General Plan is being updated concurrent with preparation of this SEIR/SEIS, and the proposed land use changes will reflect the City's commitment to becoming a Permittee of the Plan by assigning conservation and rural land use designations in the Conservation Areas within the city limits. A more detailed discussion of land uses in these areas and proposed changes to the land use designations is provided in Section 4.2.

4.1 BIOLOGICAL RESOURCES

4.1.1 Introduction and Methodology

This section provides a general discussion of existing biological resources within the area affected by the Major Amendment and discusses potential project impacts to biological resources. This analysis is a supplement to the Biological Resources discussion in the September 2007 Recirculated EIR/EIS prepared for the CVMSHCP. It focuses only on those changes resulting from adding the City and MSWD as Permittees of the Plan and is not meant to be a comprehensive analysis of biological conditions within the entire Plan area. Additionally, as noted in Section 2.0, the approximately 4,000 acre area annexed to the City from the County of Riverside in September 2010 will not be included in the environmental analysis of this SEIR/SEIS since the annexation area was addressed in the September 2007 Recirculated EIR/EIS. However, the Fiscal Impact Analysis discussed in Section 4.3 includes data on the land use designations applicable to these lands, and whether the land was vacant or developed.

4.1.2 Existing Conditions/Affected Environment

As described in the Environmental Setting/Affected Environment section of this document (Section 3.0) the majority of land area within the City of Desert Hot Springs is currently undeveloped vacant desert land. The developed area is primarily in the eastern portion of the City and consists of a mix of single and multi-family residences and various commercial uses along with public facilities such as schools, parks, police, fire and other City government uses. A detailed discussion of existing land uses is contained in Section 4.2.

Natural Communities

Most of the undeveloped land in the western portion of the City consists of desert scrub natural communities including Sonoran creosote bush scrub, comprised primarily of creosote and burrobush with widely spaced shrub growth intermixed with bare ground, and Sonoran mixed woody and succulent scrub, comprised of creosote and other shrubs with various cactus species. Portions of these natural communities also occur to the east of the downtown core as well as an area of Mojave mixed woody scrub in the northeast portion of the City.

Sensitive Wildlife

Sensitive wildlife species that may occur in or adjacent to the City have been described in detail and identified as Covered Species in the September 2007 Final Recirculated EIR/EIS and the approved Plan, including: burrowing owl; desert tortoise; Coachella Valley Jerusalem cricket; Coachella Valley fringe-toed lizard; Le Conte's thrasher; Palm Springs pocket mouse; and Coachella Valley round-tailed ground squirrel.

Other wildlife species not included in the Covered Species list that are identified in the California Natural Diversity Data Base (CNDDB) for the Desert Hot Springs area are state Species of Special Concern including the coast horned lizard (*Phrynosoma blainvillii*), pallid San Diego pocket mouse (*Chaetodipus fallax pallidus*), red diamond rattlesnake (*Crotalus ruber*), San Diego desert woodrat (*Neotoma lepida intermedia*); and one watch list species, the prairie falcon (*Falco mexicanus*). Several of these species were considered in the development of the CVMSHCP; due to their coastal distribution they were not included in the Covered Species list.

Sensitive Plant Species

Sensitive Plant species that are Covered Species and that may occur in or adjacent to the City include the federally endangered Coachella Valley milkvetch and triple-ribbed milkvetch, and Little San Bernardino Mountains linanthus, a California Species of Special Concern.

Other sensitive plant species identified in the CNDDB for this area include chaparral sand verbena (*Abronia villosa* var. *aurita*, rare plant rank 1B.1), white-bracted spineflower (*Chorizanthe xanti* var. *leucotheca,* 1B.2), spiny-hair blazing star (*Mentzelia tricuspis,* 2.1), cliff spurge (*Euphorbia misera*, 2.2), desert spike-moss (*Selaginella eremophila*, 2.2), slender cottonheads (*Nemacaulis denudata* var. *gracilis*, 2.2), and Arizona spurge (*Chamaesyce arizonica*. 2.3).

4.1.3 Thresholds of Significance/Criteria for Determining Significance

The following thresholds are taken from the certified September 2007 Recirculated EIR/EIS and reflect both NEPA and CEQA thresholds agreed to by all the Parties for analysis of biological impacts. Because CEQA has more stringent and detailed thresholds related to biological resources, over those for NEPA, the following thresholds are based on the criteria identified in Appendix G of the CEQA Guidelines. The proposed project would have a significant impact on biological resources if it would:

a. *Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service.*

b. *Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and WildlifeFish and Wildlife or U.S. Fish and Wildlife Service.*

c. *Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption or other means.*

d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites.

e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance.

f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan or other approved local, regional, or state habitat conservation plan.

4.1.4 Biological Resource Impacts/Environmental Consequences

Proposed Action/Preferred Alternative

Covered Activities

As discussed in Sections 1.0 and 2.0 of this document, both the City of Desert Hot Springs and MSWD have requested that a number of anticipated projects within their boundaries be established as Covered Activities as provided for in the Plan. Covered Activities as defined in Section 7 of the Plan include certain activities carried out or conducted by Permittees, Participating Special Entities, third parties granted Take Authorization and others within the Plan Area that will receive Take Authorization under the Section 10(a) Permit and the NCCP Permit, provided these activities are otherwise lawful.

The Plan requires permanent protection of specified acreages to ensure the continued persistence of the identified natural communities and Habitat for the Covered Species. The number of acres of additional authorized disturbance as well as additional conservation proposed in this Major Amendment is shown in Table 4.1-1 for Covered Species. Table 4.1-2 identifies the additional acres of impact and conservation for natural communities. The increase in authorized disturbance in Conservation Areas provided for in the Major Amendment would result from the covered projects identified for Mission Springs Water District. When Desert Hot Springs opted not to participate in the CVMSHCP in 2006, it was anticipated that development would still occur inside and outside the Conservation Areas. Therefore, the amount of disturbance, or Take, authorized in the 2008 Permit included the acres subject to disturbance within the city of Desert Hot Springs. City of Desert Hot Springs covered projects in the Conservation Areas are road improvements that are also covered as CVAG's covered projects so they are not new Covered Activities. As a result of this "overlap" in covered projects, the City's covered projects will not require additional take authorization; they are listed as covered projects to provide the appropriate assurance to the City. Although this Take was authorized by the state and federal permits, as a non-Permittee, the City does not have the authority to allocate this Take. The Major Amendment will include Take authorization for Desert Hot Springs in the CVMSHCP Permits,

allowing the disturbance to occur consistent with the Plan Conservation Goals and Objectives.

The additional disturbance to Covered Species and natural communities associated with MSWD Covered Activities will be mitigated through the Plan by permanent protection of habitat within Conservation Areas and contributions to the Adaptive Management and Monitoring Program. MSWD projects will be subject to the Joint Project Review process to minimize the potential impacts and ensure consistency with Conservation Goals and Objectives.

Sensitive Species and Natural Communities

Major Amendment benefits would include the expansion of conserved, unfragmented Habitat and natural communities, continued maintenance of Essential Ecological Processes to sustain the Covered Species and their Habitat, and further protection of Biological Corridors and Linkages. Most of the disturbance associated with the proposed Major Amendment is already covered under the existing Permit. As shown in Table 4.1-1, the potential additional disturbance authorized by the Major Amendment is limited (less than three acres) for a majority of the Covered Species and would not exceed approximately 29 acres of Habitat (e.g., desert tortoise). The disturbance allowed under the Preferred Alternative would be less than significant for CEQA/NEPA analysis purposes because additional loss of Habitat within Conservation Areas would be offset by approximately 770 acres of additional conservation within the Conservation Area, including desert tortoise Habitat. The following summarizes the acres of additional disturbance and conservation identified in Table 4.1-1 for the affected Covered Species:

For several of the Covered Species associated with sand dunes or sandy substrates (Coachella Valley milkvetch, Coachella Valley giant sand treader cricket, Coachella Valley fringe-toed lizard, Flat-tailed horned lizard), the amount of additional Take to be authorized through the Major Amendment is two to three acres. The 770 acres of additional conservation added to the Conservation Area includes two acres of additional conservation of milkvetch habitat but does not include habitat for the other species. The additional disturbance of two to three acres for the sand treader cricket and fringe-toed lizard is in areas where the active sand dune habitat these species prefer is not present. Two acres of additional conservation are also identified for the Coachella Valley Jerusalem cricket; this area is at the margins of potential habitat for this species. The impact of this potential disturbance will be offset by the avoidance, minimization, and mitigation measures as well as species conservation goals and objectives that require sustainable populations are maintained. These measures would be implemented during the joint project review process for proposed projects to reduce or eliminate impacts to species habitat within Conservation Areas. Therefore, the additional Take would not have a significant impact on the habitat of these Covered Species.

The additional disturbance identified for the Little San Bernardino Mountains linanthus would

not exceed 12 acres. The additional 770 acres of conservation lands does not include modeled linanthus habitat. However, the conservation objective for linanthus within the Plan area will remain approximately the same even with a slight increase in the acres of Take authorized. Additionally, a net conservation benefit is anticipated as the provisions of the CVMSHCP, including avoidance, minimization and mitigation measures, species conservation objectives, and the Joint Project Review process will ensure that disturbance is minimized. Finally, since 1996, over 66% of the 2,235 acres of linanthus habitat remaining to be conserved have been acquired for conservation in perpetuity, the conserved lands include 40 of the 63 known occurrences for linanthus, and the Upper Mission Creek/Morongo Wash Conservation Area continues to be a priority acquisition area.

For all other Covered Species identified in Table 4.1-1, the increase in acres to be conserved exceeds the additional acres of disturbance. For example, 665 additional acres will be conserved for desert tortoise compared with the 29 acres of potential additional disturbance.

The additional conserved Habitat will be included in the Management and Monitoring Program to ensure persistence of the Covered Species. Other sensitive or special status species identified in Section 4.1.2 are also expected to benefit from the additional conservation, monitoring and management under the Preferred Alternative. Overall, we anticipate a net conservation benefit with the Preferred Alternative relative to the No Action Alternative.

Table 4.1-1
Comparison of Take Authorized for
Covered Species in 2008 Permit and Proposed Major Amendment

Species Name (27 Species)	Listing Status Federal/State	Extent of Take Authorized (2008 Permit)	Extent of Take Authorized (Major Amendment)	Additional Take (acres)	Additional Conservation (acres)
***LISTED PLANTS**					
Coachella Valley milk-vetch (*Astragalus lentiginosus* var. *coachellae*)	FE/-	15,706 acres	15,709 acres	3	2
Triple-ribbed milkvetch (*Astragalus tricarinatus*)	FE/-	278 acres	278 acres	0	0

Table 4.1-1
Comparison of Take Authorized for
Covered Species in 2008 Permit and Proposed Major Amendment

Species Name (27 Species)	Listing Status Federal/State	Extent of Take Authorized (2008 Permit)	Extent of Take Authorized (Major Amendment)	Additional Take (acres)	Additional Conservation (acres)
***UNLISTED PLANTS**					
Mecca aster (*Xylorhiza cognata*)	-/-	6,459 acres	6,459 acres	0	0
Orocopia sage (*Salvia greatae*)	-/-	6,960 acres	6,960 acres	0	0
Little San Bernardino Mountains linanthus (*Linanthus maculatus*)	-/-	695 acres	707 acres	12	0
UNLISTED INVERTEBRATES					
Coachella Valley giant sand-treader cricket (*Macrobaenetes valgum*)	-/-	13,802 acres	13,804 acres	2	0
Coachella Valley Jerusalem cricket (*Stenopelmatus cahuilaensis*)	-/-	10,236 acres	10,239 acres	3	2
LISTED FISH					
Desert pupfish (*Cyprinodon macularius*)	FE/SE	Take of individuals from ongoing operations	Take of individuals from ongoing operations	0	0
LISTED AMPHIBIANS					
Arroyo toad (*Bufo californicus*)	FE/CSC	89 acres	89 acres	0	0
LISTED REPTILES					
Desert tortoise (*Gopherus agassizii*)	FT/ST	68,453 acres	69,482 acres	29	694
Coachella Valley fringe-toed lizard (*Uma inornata*)	FT/SE	13,801 acres	13,803 acres	2	0

Table 4.1-1
Comparison of Take Authorized for
Covered Species in 2008 Permit and Proposed Major Amendment

Species Name (27 Species)	Listing Status Federal/State	Extent of Take Authorized (2008 Permit)	Extent of Take Authorized (Major Amendment)	Additional Take (acres)	Additional Conservation (acres)
UNLISTED REPTILES					
Flat-tailed horned lizard (*Phrynosoma mcalli*)	-/CSC	19,520 acres	19,523 acres	3	0
LISTED BIRDS					
Yuma clapper rail (*Rallus longirostris yumanensis*)	FE & MBTA/ ST & SFP	71 acres	71 acres	0	0
Southwestern willow flycatcher (*Empidonax traillii extimus*)	FE & MBTA/SE	180 acres of breeding habitat 15,600 acres of migratory habitat	180 acres of breeding habitat 15,603 acres of migratory habitat	3	18
Least Bell's vireo (*Vireo bellii pusillus*)	FE & MBTA/SE	778 acres of breeding habitat 15,021 acres of migratory habitat	778 acres of breeding habitat 15,024 acres of migratory habitat	3	18
UNLISTED BIRDS					
California black rail (*Laterallus jamaicensis coturniculus*)	MBTA/ST & SFP	66 acres	66 acres	0	0
Burrowing owl (*Athene cunicularia*)	MBTA/CSC	55 occurrences	55 occurrences	0	0
Crissal thrasher (*Toxostoma crissale*)	MBTA/CSC	5,231 acres	5,231 acres	0	0
Le Conte's thrasher (*Toxostoma lecontei*)	MBTA/CSC	97,752 acres	97,780 acres	28	154
Gray vireo (*Vireo vicinior*)	MBTA/CSC	3,945 acres	3,945 acres	0	0

Table 4.1-1
Comparison of Take Authorized for
Covered Species in 2008 Permit and Proposed Major Amendment

Species Name (27 Species)	Listing Status Federal/State	Extent of Take Authorized (2008 Permit)	Extent of Take Authorized (Major Amendment)	Additional Take (acres)	Additional Conservation (acres)
Yellow warbler (*Dendroica petechia brewsteri*)	MBTA/CSC	180 acres of breeding habitat 15,620 acres of migratory habitat	180 acres of breeding habitat 15,623 acres of migratory habitat	3	18
Yellow-breasted chat (*Icteria virens*)	MBTA/CSC	180 acres of breeding habitat 15,606 acres of migratory habitat	180 acres of breeding habitat 15,609 acres of migratory habitat	3	18
Summer tanager (*Piranga rubra*)	MBTA/-	180 acres of breeding habitat 15,620 acres of migratory habitat	180 acres of breeding habitat 15,623 acres of migratory habitat	3	18
LISTED MAMMALS					
Peninsular bighorn sheep (*Ovis canadensis*)	FE/ST & SFP	6,873 acres	6,906 acres	0	0
UNLISTED MAMMALS					
Coachella Valley round-tailed ground squirrel (*Spermophilus tereticaudus chlorus*)	FC/CSC	62,366 acres	62,385 acres	19	123
Western (Southern) yellow bat (*Lasiurus ega xanthinus*)	-/-	78 acres	78 acres	0	0
Palm Springs pocket mouse (*Perognathus longimembris bangsi*)	-/CSC	76,889 acres	76,917 acres	28	144

As shown in Table 4.1-2, disturbance to natural communities is limited to approximately 34 acres. Disturbance allowed under the Preferred Alternative would be less than significant for CEQA/NEPA analysis purposes because permanent protection of natural communities would be offset by additional conservation as a result of additions to the Upper Mission Creek/Big Morongo Canyon Conservation Area. Table 4.1-2 identifies the additional conservation resulting from these additions for the affected natural communities. These natural communities will be included in the Adaptive Management and Monitoring Program to ensure persistence of the Covered Species, natural communities, and ecosystem processes.

Table 4.1-2
Comparison of Impact to Natural Communities in 2008 Permit and Major Amendment

Natural Community	Total Acres Subject to Impact (2008 Permit)	Total Acres Subject to Impact (Major Amendment)	Additional Disturbance (acres)	Additional Conservation (acres)
Active Desert Dunes	25	25	0	0
Stabilized & Partially Stabilized Desert Sand Dunes	94	95	1	0
Active Desert Sand Fields	1,519	1,519	0	0
Ephemeral Desert Sand Fields	885	886	1	0
Stabilized & Partially Stabilized Desert Sand Fields	296	296	0	0
Stabilized Shielded Desert Sand Fields	10,928	10,928	0	0
Mesquite Hummocks	550	550	0	0
Sonoran Creosote Bush Scrub	54,818	54,822	4	66
Sonoran Mixed Woody & Succulent Scrub	24,385	24,411	26	554
Mojave Mixed Woody Scrub	5,891	5,891	0	0
Desert Saltbush Scrub	4,552	4,552	0	0
Desert Sink Scrub	1,699	1,699	0	0
Chamise Chaparral	52	52	0	0
Redshank Chaparral	979	979	0	0
Semi-Desert Chaparral	305	305	0	0
Interior Live Oak Chaparral	3,858	3,858	0	0
Cismontane Alkali Marsh	23	23	0	0
Coastal & Valley Freshwater Marsh	27	27	0	0
Southern Arroyo Willow Riparian Forest	4	4	0	0
Sonoran Cottonwood-Willow Riparian Forest	65	65	0	0

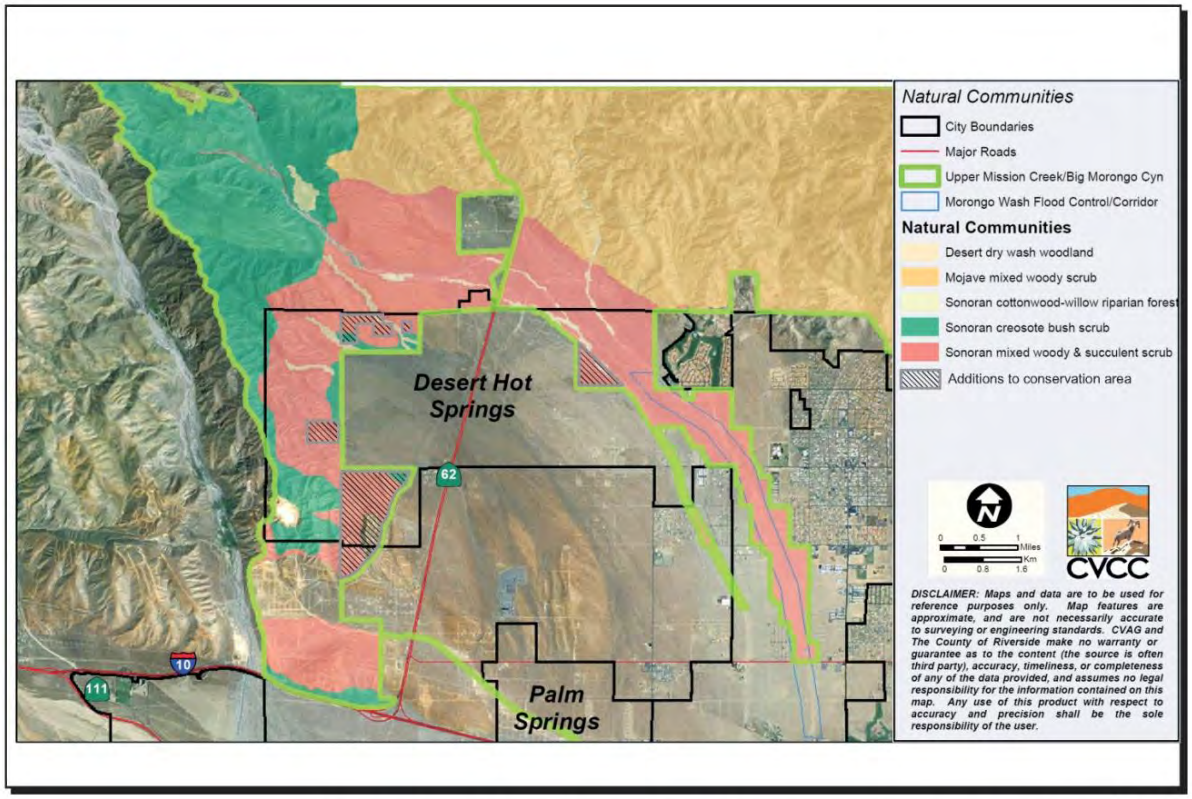
Table 4.1-2
Comparison of Impact to Natural Communities in 2008 Permit and Major Amendment

Natural Community	Total Acres Subject to Impact (2008 Permit)	Total Acres Subject to Impact (Major Amendment)	Additional Disturbance (acres)	Additional Conservation (acres)
Southern Sycamore-Alder Riparian Woodland	27	27	0	0
Arrowweed Scrub	14	14	0	0
Desert Fan Palm Oasis Woodland	79	79	0	0
Mesquite Bosque	36	36	0	0
Desert Dry Wash Woodland	8,714	8,716	2	18
Mojavean Pinyon-Juniper Woodland	134	134	0	0
Peninsular Juniper Woodland And Scrub	1,108	1,108	0	0
Subtotal	**121,067**	**121,110**	**34**	**638**
Agriculture – Conversion to Development Of Up To This Amount or Wind Energy	84,900	84,900	0	57
Total	**205,967**	**206,010**	**34**	**693**

The establishment and management of Conservation Areas, including additional conserved lands within the City, would help further reduce Habitat fragmentation, promote maintenance of Essential Ecological Processes including sand transport that supports sensitive Habitat, and enhance connectivity along corridors and linkages by limiting development in this area. Consequently, implementation of the proposed Major Amendment will not result in significant impacts to any sensitive species. Figure 4-1 shows Natural Communities in the Conservation Area with the proposed additions. As shown, the additional areas to be conserved consist of Sonoran creosote bush scrub and Sonoran mixed woody and succulent scrub. Figure 4-2 shows Covered Species in the Conservation Area with the proposed additions. As shown, two Covered Species occur in the additional areas to be conserved, the Palm Springs pocket mouse and desert tortoise. The limited impact identified in Tables 4.1-1 and 4.1-2 will be offset by additional conservation of 770 acres; with a maximum of 10% development allowed in Conservation Areas, 693 of these acres will be permanently conserved. The impact of potential disturbance to natural communities will also be limited by the avoidance, minimization, and mitigation measures as well as conservation goals and objectives that require maintenance of natural communities. Through the joint project review process for proposed projects, impacts to natural

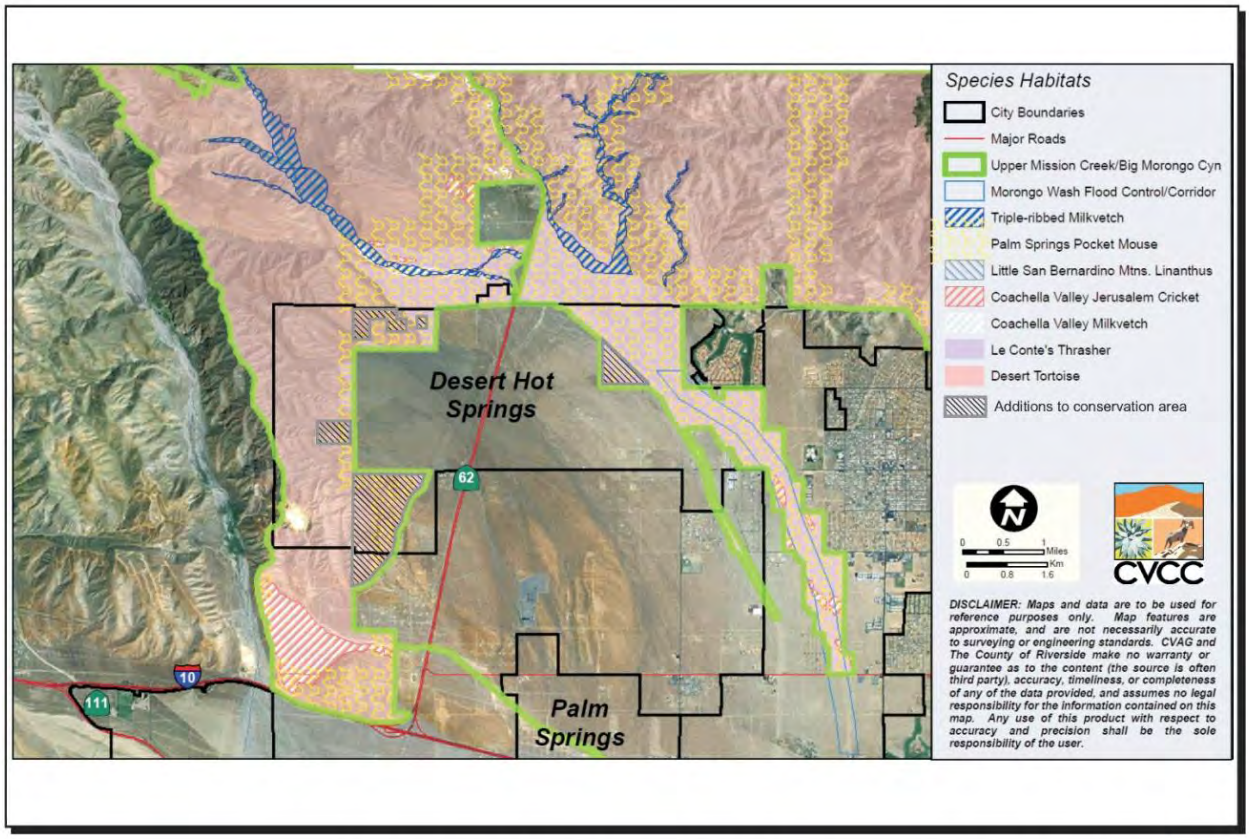
communities will be reduced or eliminated within Conservation Areas. Therefore, the additional Take would not have a significant impact on these natural communities.

It should also be noted that since the Permits were issued significant acquisition along Morongo Wash in the Upper Mission Creek/Big Morongo Canyon Conservation Area has occurred by the Coachella Valley Conservation Commission and other conservation partners.



Coachella Valley Multiple Species Habitat Conservation Plan Major Amendment
Natural Communities

FIGURE 4-1



Coachella Valley Multiple Species Habitat Conservation Plan Major Amendment
Species Habitat

FIGURE 4-2

The existing CVMSHCP provides Take Authorization for Covered Activities as long as such activities comply with required Avoidance, Minimization, and Mitigation Measures as specified in Section 4.4 and Land Use Adjacency Guidelines as specified in Section 4.5 of the Plan, and Obligations of Permittees as described in Section 6.6 of the Plan. Details of the general requirements for all Local Permittees are described in Section 2.1 of this SEIR/SEIS and specific obligations that MSWD has committed to are discussed below. The required measures are designed and implemented as part of the Plan to assure future development within and adjacent to established Conservation Areas would result in less than significant impacts to Covered Species, Habitats, natural communities, and Essential Ecological Processes. The development and operation of any Covered Activities proposed by the City and MSWD within the Major Amendment areas will be required to comply with the applicable measures in the Plan designed to mitigate potential effects on the Covered Species.

The CVMSHCP has made significant steps in Plan implementation. Since the 2008 Permits were issued, the Coachella Valley Conservation Commission (CVCC) has focused acquisition efforts

in several key areas, including the Upper Mission Creek/Big Morongo Canyon and Willow Hole Conservation Areas. As of the baseline year of 1996, 80,138 acres have been acquired by Permittees, state and federal agencies and non-profit partners toward completing the CVMSHCP Reserve System. CVCC and the local Permittees have protected 6,488 of these acres. Reserve Management Plans have been completed and adopted by the CVCC. These management plans provide guidance and priorities for adaptive management of the reserve lands. The Monitoring Program initiated by CVAG before the CVMSHCP was approved is ongoing, with a focus on threats and stressors to the Covered Species and natural communities. The Reserve Management Oversight Committee, which brings together local, state and federal land management agencies, meets regularly to coordinate monitoring and management of the CVMSHCP Reserve System.

Covered Activities for MSWD would not include groundwater extraction and therefore, no direct impacts to sensitive species or associated Habitats related to such activity would occur as a result of the Major Amendment. However, because MSWD will be added as a Permittee and in light of comments received during the NOP review period (Letter from Worden-Williams, *Appendix A*), MSWD has committed to a number of obligations in addition to the current Monitoring Program outlined in Section 8.4.1 of the Plan as it pertains to the relationship between groundwater extraction and the continued viability of mesquite hummocks as a conserved natural community. These mesquite hummocks often occur along fault zones where groundwater is forced to the surface, such as the mesquite hummocks along the Banning Fault in the Willow Hole Conservation Area. The vegetation structure of the mesquite traps sand that has been transported by wind from sand deposited or exposed by flood events in Mission Creek and Morongo Wash floodplains on the south side of the Banning Fault (Lancaster et al. 1993), forming dunes and hummocks along the fault line. The mesquite associated with sand dunes enhances conditions that provide Habitat for these Covered Species. Mesquite hummocks provide core Habitat for Covered Species including Coachella Valley fringe-toed lizard, Palm Springs pocket mouse and Coachella Valley round-tailed ground squirrel. These substantial sand accumulations in the Willow Hole area extend up to 0.5 km (0.3 mi) wide and 5 km (3 mi) long along the trace of the Banning Fault (Lancaster et al. 1993, The Nature Conservancy 1985, Meek and Wasklewicz 1993, Simons, Li, and Assoc. 1997). Potential threats to the mesquite hummocks natural community in this area include competition for sub-surface water from non-native tamarisk and the drawdown of the water table within the Mission Creek Subbasin.

The health of the mesquite hummocks in this area varies considerably. Some of the mesquite plants have many leafless branches and appear decadent, while other plants have many leafy branches and appear to be healthy. Along the western extent of mesquite hummocks (between Mission Creek and Morongo Wash), mesquite plants appear to be dying, which may be related to lowered groundwater levels in the subbasin (MSWD 2008). The hummocks farther to the east, (near Palm Drive and the Main Site Area) show substantially greater density of leafed-out mesquite plants (MSWD 2008). These hummocks near Palm Drive are closer to groundwater levels (MSWD 2008). The hydrological regime, including availability of groundwater that

supports the mesquite hummocks in this area is complex and not well understood. MSWD's 2010 Urban Water Management Plan (MSWD 2011) indicates that a decline in water levels of approximately 100 feet has occurred in portions of the Mission Creek subbasin between the years 1936 and 2003 as a result of groundwater production by MSWD and Coachella Valley Water District (CVWD). At the request of MSWD, recharge facilities were constructed jointly by CVWD and Desert Water Agency (DWA). Recharge activities began in December 2002 to address the continuing overdraft conditions in the Mission Creek subbasin. This replenishment program has increased water levels and indications are that the water level is expected to stabilize or reverse the decline (MSWD 2011). As part of a Water Management Plan currently being prepared by MSWD, CVWD, DWA, and at the request of MSWD, models are being developed which include expected natural inflow and recharge and artificial recharge at the existing Mission Creek recharge ponds, as well as existing and anticipated future groundwater withdrawals. This Water Management Plan is focused on stabilizing the water levels in the Mission Creek subbasin.

As discussed in Section 8.4.1 of the Plan, the Monitoring and Adaptive Management Program will include the use of appropriate methods and technologies (which may change over time) to monitor groundwater levels in the Willow Hole, East Indio Hills, and Thousand Palms Conservation Areas where a substantial lowering of the water table could have a significant adverse impact on mesquite hummocks and associated Covered Species. Should monitoring detect a substantial lowering of the water table or a decline in mesquite health, the following actions will be taken: 1) evaluate the results of the monitoring, 2) prepare a damage assessment report, 3) develop effective measures to ameliorate the effects of substantial lowering of the water table on mesquite hummocks and associated Covered Species, and 4) implement effective measures through Adaptive Management.

In addition to the required Avoidance, Minimization, Mitigation Measures and Land Use Adjacency Guidelines, Section 6.6.1 of the Plan specifies certain other obligations of all Local Permittees for lands within and outside Conservation Areas. MSWD has also agreed to implement measures that will be added to Section 6.6.1 of the Plan should this Major Amendment be adopted. They include conservation measures for the approximately 61 acres they own in the Conservation Areas and other measures for activities outside Conservation Areas (see Section 2.1). Additional MSWD obligations include the following:

1. A contribution of $110,000 toward the Endowment Fund for the Monitoring Program, the Management Program, and Adaptive Management. This contribution will provide for the permanent monitoring and management of the MSWD lands in the Conservation Areas in perpetuity as required by the CVMSHCP, including removal of invasive species and monitoring of mesquite hummocks. CVCC would also assume responsibility for the monitoring and management of those lands transferred by MSWD in perpetuity as a result of MSWD's contribution to the Endowment Fund. Prior to transfer of lands to

CVCC, MSWD will cooperate with CVCC to enhance and manage the mesquite hummocks on land it owns in the Conservation Areas to mitigate and provide for the Conservation of impacts to this natural community from MSWD's operation and management activities in the CVMSHCP Conservation Areas. The MSWD contribution to the CVCC Endowment Fund will also support management and monitoring of mesquite hummocks on other CVCC lands additional to those transferred to CVCC by MSWD.

2. With regard to the CVMSHCP requirements to maintain the mesquite hummock natural community, MSWD agrees to provide as available: 1) data on water levels in the Willow Hole Conservation Area, the "fault dunes" and associated mesquite hummocks east and west of Palm Drive; 2) water samples for a study of stable isotopes in mesquite tissue for use by the CVCC Monitoring Program team; 3) historical photographs or aerial imagery of the mesquite hummock areas in the Willow Hole Conservation Area that would help document changes from current conditions; 4) technical expertise of MSWD staff, or consultants as appropriate, in coordination with the CVCC Monitoring Team. MSWD is willing to provide any and all relevant data they have available to CVCC; however, MSWD does not have facilities that will provide needed data near the mesquite hummocks habitat. Additional facilities will be required to collect data on groundwater levels near the hummocks habitat. The District will also provide funds to be used for water monitoring wells or other means of gathering data on groundwater levels related to mesquite hummocks. The determination of how to best accomplish this monitoring, including placement of wells will be made in coordination with the CVCC staff, CVCC monitoring team, Wildlife Agencies, relevant Reserve Management committees, other relevant Permittees, and MSWD staff. These data and support from MSWD will enhance understanding of the hydrological regimes that support mesquite hummocks in the CVMSHCP area and provide baseline data for the ongoing monitoring of mesquite hummocks. The District will provide funds to support monitoring and analysis of groundwater levels in the amount of $120,000.

3. To improve the water available to mesquite hummocks, MSWD will provide funds to CVCC to be used for the removal of non-native tamarisk from the Willow Hole Conservation Area in the amount of $100,000 to cover the costs of tamarisk removal from approximately 30 acres of conservation lands. CVCC will ensure that removal of tamarisk occurs on lands controlled by CVCC or other public or private conservation lands.

4. MSWD will contribute $20,000 to the cost of a study being conducted by CVCC of the feasibility of mesquite restoration and development of a mesquite restoration plan. CVCC has initiated this study with creation of a constraints analysis detailing site conditions

where current stands of mesquite are now absent (but were extant within the past century), declining, or are currently doing well (defined by leaf area and fruit production). MSWD will contribute to the mesquite study plan that will detail the location, water requirements, and monitoring and management responsibilities, including funding, for this mesquite restoration effort. CVCC will provide the final study to the Wildlife Agencies for review and approval.

5. CVCC is responsible for evaluating the relationship between mesquite hummocks and groundwater through the Monitoring Program. MSWD will contribute to and participate in this research for the mesquite hummock areas within their district boundary. The objectives of this research will include: (1) to monitor the plant characteristics and hydrologic conditions of mesquite hummocks in the Coachella Valley; (2) to determine the source(s) of water utilized by the mesquite; and (3) to relate vegetation health and reproduction to varying hydrologic conditions in the Coachella Valley. The study will involve compiling existing vegetation and hydrologic data as GIS layers, coordination with MSWD on ground-water level data they collect from existing wells, and monitoring plant characteristics and hydrologic conditions at the sites including Willow Hole. The water-level trends from these sites can be compared to precipitation and pumping trends to help determine the natural and/or human-induced impacts on the groundwater system. The GIS will be updated on an annual basis with the data collected by other agencies during this study. These data will be used in conjunction with the hydrologic data to determine if there is a correlation between the health of the mesquite and the hydrologic properties at the site (depth to water and soil moisture). Persistence of the mesquite trees will be monitored to determine if there is a relationship between water-table depth, soil moisture, and reproduction.

6. If the study undertaken by the CVCC demonstrates the decline of mesquite hummock areas in the Willow Hole Conservation Area, MSWD will work with CVCC, the Wildlife Agencies, and other relevant Permittees to identify and implement a plan to enhance, restore, and maintain the mesquite hummocks natural community and to address changed circumstances, identified in the CVMSHCP, that affect this natural community as a part of their CVMSHCP implementation activities. MSWD commits to participate in additional measures that will result from the CVMSHCP Adaptive Management Plan analysis to the extent that measures are reasonable, feasible, and within the resources of the District. Further, MSWD confirms that the goals of the Water Management Plan it is preparing in cooperation with CVWD and Desert Water Agency are consistent with the objectives of the CVMSHCP to manage the groundwater resource in perpetuity for the benefit of mesquite hummocks and the species that depend on this natural community.

MSWD will contribute a total of $350,000 toward the CVMSHCP as described above to support

the Monitoring Program, the Management Program, and Adaptive Management. This may be paid in full the first full fiscal year after approval of the Major Amendment, or it may be paid in installments over a maximum of five years, beginning in the first full fiscal year after approval of the Major Amendment. Interest shall be paid by MSWD at the annual rate of 5.14% on the outstanding balance.

The measures identified as responsibilities of MSWD in Section 6.6.1 of the Plan, along with those requirements already adopted in the Plan as Monitoring and Adaptive Management procedures, will ensure the ongoing health of mesquite hummocks in the affected Conservation Areas of the Mission Creek Subbasin.

Riparian Habitat

As discussed above, the addition of approximately 770 acres to the Upper Mission Creek/Big Morongo Canyon Conservation Area would result in an overall beneficial effect to natural communities within the Plan area. As shown on Figure 4-1, the areas to be added to the Conservation Area consist of Sonoran Creosote bush scrub and Sonoran mixed woody and succulent scrub. There are no riparian communities currently located within either the existing or the additional lands in the Conservation Areas to be addressed under the Major Amendment; therefore, no impacts would occur as a result of the Major Amendment. However, a CDFW Streambed Alteration Agreement under Section 1602 of the California Fish & Game Code may be required in certain areas in addition to federal permitting discussed below.

Federally Protected Wetlands

There are no wetlands, defined by Section 404 of the Clean Water Act or other sensitive natural communities such as wetlands, marshes, or vernal pools within the existing or the additional areas to be addressed under the Major Amendment. Therefore, no impacts to federally protected wetlands would occur. However, a Section 404 permit by the U.S. Army Corps of Engineers (ACOE) would be required for any Covered Activities that would result in the dredge or fill of waters of the U.S.

Wildlife Movement

The additional areas to be included within the Upper Mission Creek/Big Morongo Canyon Conservation Area would result in a beneficial effect to the movement of wildlife species by expanding the limits of the established Conservation Area. The establishment of Conservation Areas within the City would reduce the potential for urban development in the affected area, and would preserve it as open-space and natural desert areas, allowing the continued use by wildlife species. Therefore, no significant adverse impacts to wildlife movement would occur as a result of implementing the Major Amendment.

Local Policies

There are currently no local policies protecting biological resources within the areas to be included in the Conservation Area. However, due to two recent annexations of approximately 4,000 acres of County lands into the City (together known as the Desert Hot Springs I-10 Annexation) all provisions of the approved CVMSHCP were adopted by the City for that area. The Major Amendment would provide for adoption of CVMSHCP policies throughout the remaining parts of the City not currently covered by the Plan, resulting in a more cohesive biological planning policy throughout the City.

Adopted Habitat Conservation Plan

The proposed Major Amendment will result in the City being included as a Permittee to the MSHCP that will allow for expansion and continuity of the established Conservation Areas. Conservation Areas within the MSWD service area outside Desert Hot Springs City limits will remain unchanged. As indicated in preceding discussions, adding the City and MSWD as Permittees of the Plan, and establishing Conservation Areas within the City, would result in an overall beneficial effect to the Covered Species and natural communities currently protected by the Plan.

Public Lands Alternative

As indicated in the approved Recirculated EIR/EIS, this Alternative would not include a broad acquisition plan as part of the Plan requirements. Management of the existing reserves would be increased, so that Covered Species within these reserves would receive greater protection. Overall conservation lands would decrease under this Alternative and would thus result in a greater impact to Covered Species and natural communities. No feasible mitigation measures were identified. The proposed Major Amendment would not result in any changes to that conclusion.

Core Habitat with Ecological Processes Alternative

As indicated in the approved Recirculated EIR/EIS, this Alternative would result in less conservation than the Preferred Alternative, and thus would have greater impact on Covered Species and natural communities. It is not known what species the Wildlife Agencies would determine meet the criteria for issuance of Take Authorization under this Alternative. No feasible mitigation measures were identified. The proposed Major Amendment would not result in any changes to that conclusion.

Enhanced Conservation Alternative

As indicated in the approved Recirculated EIR/EIS, this Alternative would result in the acquisition and management of more land than the Preferred Alternative. All other provisions of the Preferred Alternative would apply. Therefore, impacts from this Alternative would be less than significant for CEQA/NEPA analysis purposes. The proposed Major Amendment would not result in any changes to that conclusion.

No Action/No Project Alternative

The USFWS No Action Alternative is no amendment of the CVMSHCP and permit. Under the approved EIR/EIS, it was determined this alternative may result in significant adverse impacts to biological resources for CEQA/NEPA analysis purposes due to the lack of protection for both Covered and non-Covered Species. Since there is now an approved Plan in place, the No Project Alternative for the proposed Major Amendment would mean that both the City and MSWD would not become Permittees of the Plan. Similar to the conclusion in the approved EIR/EIS, the No Project Alternative under this scenario would mean that some areas of the City and the MSWD boundaries would not receive full protection for Covered and non-Covered Species as provided by the Plan. Therefore, significant adverse impacts to biological resources could occur under the No Action/No Project Alternative. Impacts to Covered Species and natural communities under the No Action Alternative are discussed in Section 4.1.4. No Action impacts to Covered Species are quantified in Table 4.1-1 under the column titled "Extent of Take Authorized (2008 Permit)"; under No Action, impacts quantified under the columns "Additional Take (acres)" and "Additional Conservation (acres)" would not occur. No Action impacts to natural communities are quantified in Table 4.1-2 under the column titled "Total Acres Subject to Impact (2008 Permit)"; under No Action, impacts quantified under the columns "Additional Disturbance (acres)" and "Additional Conservation (acres)" would not occur.

4.1.5 Biological Resources Mitigation Measures

Proposed Action/Preferred Alternative

The proposed Major Amendment would not result in a significant impact to biological resources within the Plan Area. The addition of the City and MSWD as Permittees of the Plan provides a more comprehensive and cohesive Plan that would provide benefits for the Covered Species and natural communities protected in the Plan Area. The Plan also incorporates required Avoidance, Minimization and Mitigation Measures; Land Use Adjacency guidelines; and a comprehensive Monitoring and Management Program designed to mitigate potential adverse effects to the greatest extent practicable. Because the Plan has been designed to adequately conserve the Covered Species and natural communities, and has already incorporated all feasible measures to mitigate Plan impacts as part of the design of the Plan, no additional mitigation measures are

either necessary or feasible for CEQA/NEPA analysis purposes.

Public Lands Alternative

Overall conservation lands would decrease under this alternative and would thus result in a greater impact to Covered Species and natural communities. No feasible mitigation measures were identified in the approved EIR/EIS. The proposed Major Amendment would not result in any changes to that conclusion.

Core Habitat with Ecological Processes Alternative

This Alternative would result in less conservation than the Preferred Alternative, and thus would have greater impact on Covered Species and natural communities. No feasible mitigation measures were identified in the approved EIR/EIS. The proposed Major Amendment would not result in any changes to that conclusion.

Enhanced Conservation Alternative

This Alternative would result in the acquisition and management of more land than the Preferred Alternative. All other provisions of the Preferred Alternative would apply. Therefore, impacts from this Alternative would be less than significant and no mitigation measures were required in the approved EIR/EIS. The proposed Major Amendment would not result in any changes to that conclusion.

No Action/No Project Alternative

Similar to the conclusion in the approved EIR/EIS, the No Project Alternative under this scenario would mean that some areas of the City and the MSWD boundaries would not receive full protection for Covered and non-Covered Species as provided by the Plan. Therefore, significant adverse impacts to biological resources could occur under the No Action/No Project Alternative. No feasible mitigation measures have been identified should the proposed Major Amendment not be approved.

4.1.6 Levels of Significance after Mitigation

Proposed Action/Preferred Alternative

The proposed Major Amendment is to include the City of Desert Hot Springs and MSWD as Permittees to the CVMSHCP, allowing for continuity of the previously established Conservation Areas. Conservation Areas within MSWD boundaries outside City limits will remain unchanged

as no additional lands would be added or disturbed. Adding the City and MSWD as Permittees of the Plan and adding land to the Upper Mission Creek/Big Morongo Canyon Conservation Area would result in an overall benefit to the Covered Species and natural communities. Since approval of the Project would result in a beneficial impact to biological resources, no mitigation measures are required.

Public Lands Alternative

Conservation lands would decrease under this alternative and would thus result in a greater impact to Covered Species and natural communities. However, no feasible mitigation measures were identified in the approved EIR/EIS. The Major Amendment would not result in any changes to that conclusion and no mitigation measures are required.

Core Habitat with Ecological Processes Alternative

This Alternative would result in less conservation than the Preferred Alternative, and thus would have greater impacts on Covered Species and natural communities. No Feasible mitigation measures were identified in the approved EIR/EIS. The Major Amendment would not result in any changes to that conclusion and impacts of this alternative would remain significant.

Enhanced Conservation Alternative

This Alternative would result in the acquisition and management of more land than the Preferred Alternative. All other provisions of the Preferred Alternative would apply. Therefore, impacts from this Alternative would be less than significant and no mitigation measures were required in the approved EIR/EIS. The Major Amendment would not result in any changes to that conclusion and no mitigation measures are required.

No Action/No Project Alternative

The No Project Alternative under this scenario would mean that some areas of the City and the MSWD boundaries would not receive full protection for Covered and non-Covered Species as provided by the Plan. Therefore, significant adverse impacts to biological resources could occur under the No Action/No Project Alternative. Since no feasible mitigation measures have been identified should the preferred project not be approved, the impact of this Alternative remains significant.

4.2 LAND USE AND PLANNING

4.2.1 Introduction and Methodology

The following section will focus on those land use changes that would occur due to implementation of the proposed Major Amendment to add the City of Desert Hot Springs and Mission Springs Water District (MSWD) to the currently permitted CVMSHCP. The analysis supplements the Land Use section in the approved September 2007 Recirculated EIR/EIS.

4.2.2 Existing and Surrounding Land Use/Affected Environment

Existing Land Use

City of Desert Hot Springs

The City of Desert Hot Springs is located in the northwestern portion of the Coachella Valley in Riverside County. The City is generally bounded by the San Bernardino Mountains west of Highway 62, the Little San Bernardino Mountains to the north, Long Canyon Road on the east and Interstate 10 on the south (refer to Figure 1-2). The incorporated City limits, which are subject to analysis in this SEIR/SEIS, encompass approximately 23 square miles that will be integrated into the existing CVMSHCP.

As discussed in Section 3.1, the City of Desert Hot Springs has recently (September 12, 2010) annexed approximately 4,000 acres of unincorporated territory previously under the jurisdiction of the County of Riverside into the City's municipal service boundaries. This involved two separate annexations (Annexation 36 and Annexation 37) together known as the I-10 Community Annexation, which was processed and approved by the Riverside County Local Agency Formation Commission (LAFCO). This annexation increased the size of the City from approximately 23 square miles to approximately 29.3 square miles. However, the approximate 6.3 square mile I-10 Community Annexation area is not included in the land use analysis or other environmental analysis sections of this document (except the Fiscal Impact Analysis discussed in Section 4.3 that included data on the land use designations applicable to these lands, and whether the land was vacant or developed). This is because portions of the I-10 Community Annexation area that were previously in a Conservation Area under the County have been annexed by the City and no changes to the Plan will occur in that area. Therefore, the LAFCO action essentially served to transfer existing conservation lands from the County to the City and no new Conservation Area or addition to the overall Plan Area were created as a result of the annexation. The City of Desert Hot Springs did become a CVMSHCP Permittee for the annexed lands only.

Additionally, County of Riverside General Plan policies have been retained, so the pre-annexation rules governing land uses, circulation, open space, etc. did not change. Since the County's current zoning district standards for this area were not in conformance with the County's land use designations, the City has re-zoned this land with its own zoning district standards that correspond most directly with the County's land use policies for this area.

Existing land uses within the City consists primarily of a mix of low, medium, and high density residential development with retail and hotel commercial development located mostly in the eastern portion of the City. The majority of land area within the City remains undeveloped with scattered residential and some industrial development, including wind energy, in the western portion of the City. The remainder of developed land includes public and quasi-public uses such as schools, police and fire departments, and parks.

Mission Springs Water District

Mission Springs Water District provides water and sewer service to an area of approximately 135 square miles and a population of approximately 30,000. It is located in the northwestern portion of the Coachella Valley and encompasses the entire incorporated city limits of Desert Hot Springs, unincorporated areas of Riverside County, and a small area of the northern portion of Palm Springs. The northern boundary extends to the Riverside/San Bernardino County line; the western boundary is located generally east of the limits of the Morongo Indian Reservation and the community of Cabazon; the southern boundary extends to Highway 111 and Interstate 10 and the Coachella Valley Water District (CVWD) boundaries; and the eastern boundaries are flanked by the Coachella Valley cities of Palm Springs and Cathedral City (refer to Figure 1-2).

Surrounding Land Use

Land uses surrounding the City of Desert Hot Springs and MSWD boundaries include the San Bernardino and Little San Bernardino Mountains to the west and north, respectively; the Whitewater River and unincorporated County lands to the west; and unincorporated County lands to the south which includes several residential communities. The northern portion of the City of Palm Springs is within the southerly portion of the MSWD service area with the more populated area of Palm Springs located approximately two miles to the south. Land use changes resulting from the Major Amendment are discussed in Section 4.2.4.

Revised Conservation Area Boundaries

The Upper Mission Creek/Big Morongo Canyon Conservation Area comprises approximately 29,440 acres in its current configuration as adopted in the Final CVMSHCP permitted in October 2008. Approval of the Major Amendment would add an additional 770 acres into the

Conservation Area, mostly in the western portion of the City and another area in the Central part of the City to the west of Indian Avenue and Mission Creek (refer to Figure 1-2).

Applicable Plans, Policies and Regulations

Riverside County General Plan: The County General Plan includes four Area Plans, which encompass major portions of the CVMSHCP Area. The CVMSHCP area proposed for revision is located in the Western Coachella Valley Plan, which extends from the eastern portion of the San Gorgonio Pass to Indio and La Quinta. The County General Plan applies to the area of the MSWD boundaries that are outside of the Cities of Desert Hot Springs and Palm Springs. No County land use designations or Conservation Areas within the County will be altered as a result of the proposed Major Amendment.

Desert Hot Springs General Plan: In 2013, the City expects to complete the process of updating its General Plan that last underwent a comprehensive update in September 2000. The existing General Plan designations include a mix of low, medium, and high density residential uses, with 40 percent of total acreage dedicated to Residential-Low density housing which allows 0-5 dwellings per acre. The majority of land use is dedicated to residential uses with nearly 60 percent of the total acreage in the Planning Area. Other designations include various commercial uses (approximately 3 percent of total land area); industrial (approximately 12 percent of total land area); and public/institutional (approximately 23 percent of total land area).

4.2.3 Thresholds of Significance/Criteria for Determining Significance

The following thresholds are taken from the certified EIR/EIS dated September 2007 and reflect both NEPA and CEQA thresholds agreed to by all the Parties for analysis of Land Use impacts. Because CEQA has more stringent and detailed thresholds related to biological resources, over those for NEPA, the following thresholds will be used. The revised CVMSHCP would have a significant effect on land use and planning if it would:

a. *Physically divide an established community.*
b. *Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect.*
c. *Conflict with any applicable habitat conservation plan or natural community conservation plan.*

4.2.4 Land-Use-Related Project Impacts

Proposed Action/Preferred Alternative

Community Separation

As indicated in the Initial Study/NOP (Appendix A), the revised CVMSHCP would not result in the physical separation of a community. In the western portion of Desert Hot Springs, that portion of the Upper Mission Creek/Big Morongo Canyon Conservation Area proposed to be included in the CVMSHCP is located well away from the main developed portion of the City. Although that part of the Conservation Area that would be sited in the central section of the City is located adjacent to the urbanized portion of Desert Hot Springs, the drainages within this area already serve as a natural separation between the eastern and western parts of the City. Desert Hot Springs has identified the potential for future open space trails along the Mission Creek or Morongo Wash drainages. Furthermore, if the City were to remain a non-participant in the Plan, this part of the Conservation Area would continue to be designated a Special Provisions Area to ensure conservation of these lands and support future development of County Flood Control's planned Morongo Wash flood control facility. MSWD has also opted to become a Permittee of the Plan; however, no Conservation Area boundaries will change as a result. Therefore, the proposed revisions to the Plan will not result in physically dividing an established community.

Applicable Plans, Policies and Regulations

When the City opted out of becoming a Permittee of the Plan, most of the previously proposed Conservation Area in the Morongo Wash floodplain area was designated as a Special Provisions Area, which allows for the purchase and preservation of that area. Significant acquisition by the CVCC and other partners has been completed to protect the Morongo Wash floodplain since the state and federal permits were received.

The City of Desert Hot Springs General Plan update is expected to be completed in 2013. The land use designations in the proposed General Plan update are compatible with the CVMSHCP and the proposed Conservation Areas.

Adopted Habitat Conservation Plan

The proposed Major Amendment will result in the City being included as a Permittee to the CVMSHCP that will allow for continuity of the previously established Conservation Areas. Conservation Areas within MSWD boundaries outside City limits will remain unchanged.

The revised Plan will not conflict with any plans adopted for the purpose of avoiding or

mitigating an environmental effect. The proposed Major Amendment would serve to strengthen the existing CVMSHCP by including the City of Desert Hot Springs and MSWD as Permittees of the Plan and thereby broadening the potential to achieve the land use control and conservation objectives of the Plan to protect Covered Species. The proposed Major Amendment will also establish the area within the City currently designated as the Morongo Wash Special Provisions Area as part of the Upper Mission Creek/Big Morongo Canyon Conservation Area, and will facilitate the future development of County Flood Control's planned Morongo Wash Flood Control facility. These actions would serve to broaden and reinforce the Plan's goals and objectives aimed at protecting sensitive resources and facilitating logical development in a sustainable manner, and therefore, would not conflict with the adopted CVMSHCP.

Public Lands Alternative

As indicated in the approved Recirculated EIR/EIS, the Public Lands Alternative would not include a broad acquisition plan as part of the Plan requirements. Management of the existing reserves would be increased, so that Covered Species within these reserves would receive greater protection. The proposed Major Amendment would not result in any changes to that conclusion. As with the Proposed Action/Preferred Alternative, there would be no direct impact on applicable plans because this Alternative does not propose additional conservation of lands. For the same reason, this Alternative would not result in the physical division of an established community. State and federal lands would be managed in a manner consistent with their respective management plans, and thus this Alternative would not conflict with such plans. The proposed Major Amendment would not result in any changes to that conclusion.

Core Habitat with Ecological Processes Alternative

As indicated in the approved Recirculated EIR/EIS, this Alternative would have a lower level of conservation of private lands compared to the Proposed Action/Preferred Alternative, and thus would have even fewer potential conflicts with applicable land use plans. Based upon the coordinated and integrated nature of this Alternative, impacts to federal, state, regional, local, or tribal land use plans, policies, or controls are considered to be less than significant. This Alternative would not physically divide an established community for the reasons described under the Proposed Action/Preferred Alternative. The proposed Major Amendment would not result in any changes to that conclusion.

Enhanced Conservation Alternative

As indicated in the approved Recirculated EIR/EIS, this Alternative would result in a substantial increase in lands in Conservation Areas compared to the other alternatives. The analysis determined this additional conservation could result in significant land use compatibility

conflicts and physically divide established communities. The proposed Major Amendment would not result in any changes to that conclusion.

No Action/No Project Alternative

Under the approved EIR/EIS, it was determined the No Action/No Project Alternative may have a significant long-term adverse impact on land use due to piecemeal habitat conservation that may lead to the fragmentation of human communities and stifle efficient economic development and activities. Since there is now an approved Plan in place, the No Project Alternative for the proposed Major Amendment would mean that both the City and MSWD would not become Permittees of the Plan. Without the Major Amendment, both agencies would have to comply with state and federal regulations for the Covered Species on a case by case basis. Furthermore, this alternative would not have the beneficial effect of strengthening the existing CVMSHCP by broadening the potential to achieve land use control and conservation objectives to protect Covered Species.

4.2.5 Mitigation Measures

Proposed Action/Preferred Alternative

Based on the preceding analysis, it has been determined that no significant adverse impacts related to land use have been identified in association with the implementation of the proposed Major Amendment. Therefore, no mitigation measures are required.

Public Lands Alternative

As indicated in the approved EIR/EIS prepared for the Plan, no significant adverse impacts related to land use issues would result from this Alternative for CEQA analysis purposes. The Major Amendment would not result in any changes to that conclusion and therefore, no mitigation measures would be required.

Core Habitat with Ecological Processes Alternative

As indicated in the approved EIR/EIS prepared for the Plan, no significant adverse impacts related to land use issues would result from this Alternative for CEQA analysis purposes. The Major Amendment would not result in any changes to that conclusion and therefore, no mitigation measures would be required.

Enhanced Conservation Alternative

As indicated in the approved EIR/EIS prepared for the Plan, the analysis determined that additional Conservation Areas could result in significant land use compatibility conflicts and physically divide established communities. Therefore, a number of mitigation measures were provided on a Conservation Area basis to reduce such incompatibilities. No additional measures are proposed as a result of the Major Amendment since no further conservation is proposed beyond what was analyzed as part of the Proposed Action/Preferred Alternative.

No Action/No Project Alternative

Although the beneficial effect of strengthening the existing CVMSHCP by broadening the potential to achieve land use control and conservation objectives to protect Covered Species would not be realized, no significant adverse impacts were identified and no mitigation is proposed.

4.2.6 Levels of Significance after Mitigation

Proposed Action/Preferred Alternative

No significant adverse impacts on land use would result from this Alternative for CEQA/NEPA analysis purposes and no mitigation is required.

Public Lands Alternative

No significant adverse impacts on land use would result from this Alternative for CEQA/NEPA analysis purposes and no mitigation is required.

Core Habitat with Ecological Processes Alternative

No significant adverse impacts on land use would result from this Alternative for CEQA/NEPA analysis purposes and no mitigation is required.

Enhanced Conservation Alternative

Significant conflicts with local, county, state or federal land use plans, policies or controls would remain, despite additional mitigation measures. The alternative would have the residual effect of physically dividing established communities.

No Action/No Project Alternative

No significant adverse impacts on land use would result from this Alternative for CEQA/NEPA analysis purposes and no mitigation is required.

4.3 SOCIOECONOMIC AND FISCAL EFFECTS

4.3.1 Introduction and Methodology

This section is based on the *Fiscal Impact Analysis* report prepared by Terra Nova Planning & Research, Inc. in July 2011 which is contained in Appendix B of this SEIR/SEIS. Background data on population, housing, and employment is also presented in Section 4.3.2 with potential impacts to population growth and displacement of housing or people presented in Section 4.3.4.

In 2003, a *Fiscal Impact Analysis* (FIA) was prepared to analyze the potential costs and revenues that would be lost by each jurisdiction participating in the Plan. The City of Desert Hot Springs was included in that analysis, but withdrew prior to completion of the CVMSHCP. The City of Desert Hot Springs reversed their decision to withdraw from the Plan through a Memorandum of Understanding (MOU) in October 2007, stating their intent to enter into negotiations for the City to join the CVMSHCP as a Permittee after the Plan was officially adopted by CVAG and local Permittees but prior to approval by all state Permittees and receiving state permits from California Department of Fish and Wildlife and federal permits from US Fish & Wildlife Service. The MOU was subsequently approved by the CVCC, CVAG, and the County of Riverside as of February 2008.

Subsequent to that decision, the Mission Springs Water District (MSWD) has also proposed to become a Permittee of the Plan. Although the primary focus of this SEIR/SEIS is to evaluate amending the Plan to include both jurisdictions as Permittees, the FIA focuses on public costs and revenues that would result if vacant lands identified for conservation by the CVMSHCP were instead allowed to develop in Desert Hot Springs consistent with the current General Plan land use designation. This is because MSWD does not have decision-making authority over land use designations and no Conservation Area boundaries will change within the MSWD service area outside of Desert Hot Springs.

As the proposed Conservation Area lands are currently available for urban development, in a manner consistent with the City's General Plan, development on these lands would be expected to result in both revenues for the City, in the form of increased property tax, sales tax, motor vehicle license fees, special assessments, and other revenues. Development would also generate additional costs associated with the provision of public services and facilities. As implementation of the proposed CVMSHCP would result in the conversion of these lands to conservation, revenues associated with future development would be lost. The conversion of vacant, potentially developable land to open space and conservation uses could have fiscal impacts on the City. The following analysis is provided to determine what the costs and revenues could be if these lands were to develop.

Since the City was included in the original CVMSHCP and associated 2003 FIA, and to maintain consistency, the following analysis is based on updated fiscal information since that time. The Fiscal Impact Model employed is consistent with the original model, but all land use data, cost factors, property values, and other assumptions have been updated to reflect 2011 dollars.

As a result of an annexation undertaken by the City in 2010, which extended its boundaries to the Interstate 10 freeway, lands previously under the jurisdiction of the County of Riverside are now within the City limits. The City agreed, as part of the annexation, to enforce the provisions of the CVMSHCP on those lands within the annexation area that are to be conserved. CVAG provided an analysis of the lands proposed for conservation in the City that included data on the land use designations applicable to these lands, and whether the land was vacant or developed.

The Plan does allow very limited development of conservation lands under certain circumstances. However, to reflect the most conservative analysis, it is assumed that no development, and therefore no revenue, would be generated on any lands in a Conservation Area. Some development already exists in the Conservation Areas proposed in the City. This development is generating revenue and costs, and no change would be expected as a result of the implementation of the Plan, particularly since most of the development consists of energy-related development (wind farms). The existing developed lands are therefore not considered in this analysis, as they would be revenue and cost neutral for the City.

4.3.2 Existing Conditions/Affected Environment

Population/Housing/Employment

According to the California Department of Finance (DOF), the City had an estimated population of 27,383 as of January 1, 2011. This represents an approximate 6% increase over the January 1, 2010 population of 25,852 and a 60% increase over the 2000 population of 16,582 (Department of Finance 2011). Also, based on DOF statistics, there were estimated to be 11,419 housing units as of January 1, 2011; most of those were single-family detached housing (approximately 68% according to 2010 Census data) with the remainder being multi-family and mobile home units. California Employment Development Department data indicate that in Desert Hot Springs approximately 7,500 were employed with a labor force of 9,400 and an unemployment rate of 20% based on June 2011 estimates (http://www.labormarketinfo.edd.ca.gov).

EXISTING REVENUE SOURCES

Property Tax Revenue

The County of Riverside collects property taxes for lands in the City of Desert Hot Springs annually at a rate of 1% of assessed valuation. Property tax revenues are allocated between Riverside County, the City, and a variety of other public agencies. Riverside County not only receives property tax revenue from unincorporated lands under its jurisdiction, but also receives a portion of property tax revenue generated in incorporated cities. For Desert Hot Springs, the City receives 16.6% of the 1% collected, and the County 23.1%. Other agencies receive the balance of 60.3%. This allocation has not changed since the preparation of the 2003 FIA.

Property Transfer Tax Revenue

Property transfer tax revenues will also be "lost" if developable lands are converted to conservation. The Property Transfer Tax is levied by Riverside County upon a change of ownership of property. The tax rate is $1.10 per $1,000 (or 0.11%) of the unencumbered property value. Riverside County collects Property Transfer Taxes on all changes in ownership that occur within its boundaries, including those located in incorporated cities. If the transfer occurs within the City, the revenue is divided evenly between the County (50%) and the City (50%).

Upon the sale of a new unit, 100% of the unit's market value is subject to the property transfer tax. Upon change of ownership of an existing unit, the unencumbered value (average 80%) of the property is subject to the property transfer tax. Change in ownership is assumed to begin in the fourth year of the first phase, and 10% of existing residential properties are assumed to change ownership per year. Property values are stated in year 2011 dollars, and the same property values used in the property tax revenue evaluation, above, are used in this analysis. A resale rate of 1% is assumed for multi-family and industrial development. For new industrial buildings, it is assumed that only 10% of the property value will change ownership after the structure is built.

Sales and Use Tax Revenue

Sales tax in Riverside County is collected at a rate of 8.75% by the state of California. The City receives 1% of the 8.75% for its General Fund, and 0.5% is allocated to Measure A, for purposes of regional roadway projects.

Transient Occupancy Tax (TOT) Revenue

Only one land use designation in the Desert Hot Springs General Plan would allow the construction of a hotel or motel, which could then generate Transient Occupancy Tax (TOT). The location of the Estate Residential lands and the minimum acreage of 10 acres make it unlikely that a hotel could develop on these lands. As a result, no TOT revenues have been assumed in the analysis. This represents a reduction from the previous analysis, where Community Commercial lands were assumed to generate a single hotel.

Motor Vehicle In-Lieu Revenue

Motor Vehicle In-Lieu Fees (also referred to as Motor Vehicle License Fees) are imposed on motorists in-lieu of a local property tax. These revenues are collected by the State of California, and a portion of the total revenue is allocated to each local jurisdiction on a monthly basis. Estimated apportionments payable to California cities and counties have been converted to annual per capita factors. For Fiscal Year 2010, the City was expected to receive $2.94 per capita.

Transportation Uniform Mitigation Fee

Riverside County Ordinance 673 established a fee mitigation program for funding the engineering, construction, and purchase of right-of-way and other transportation improvements in the Coachella Valley. The program is better known as the Transportation Uniform Mitigation Fee (TUMF), and its mitigation fee is paid by developers of new projects prior to the issuance of building permits. Fee amounts are based on the trips generated by the land use, gross square footage of the new building, number of units, number of rooms, or number of parking spaces. Mitigation fees are collected by Riverside County and disbursed to CVAG, which is responsible for the management and utilization of funds for regional transportation improvement projects. TUMF revenues are a one-time, non-recurrent payment, and do not represent an ongoing revenue source. It can also be argued that if the lands proposed for conservation do not develop, they will also not generate any vehicle trips, and will therefore not impact roadway capacity.

Highway User Gas Tax Revenue

Portions of the tax levied per gallon by the State of California on all gasoline purchases are allocated to counties and cities throughout the state. The anticipated per capita apportionment factor for Fiscal Year 2009-2010 for the City was $16.15.

Measure A Revenue

Of the 8.75% sales tax collected in Riverside County, 0.50% (or .005 cent on the dollar) is contributed to the Measure A fund. Measure A revenues are managed and disbursed by the Riverside County Transportation Commission (RCTC). Of all the Measure A revenues allocated to the Coachella Valley region, 65% is specifically designated for regional transportation projects, including highway and arterial improvements and public transit programs. The remaining 35% is allocated to local jurisdictions, based on a formula that accounts for the jurisdiction's population and total taxable sales. Measure A revenues are restricted for use in funding local street maintenance, traffic signal installation, and related improvements.

The fiscal model prepared for the Major Amendment estimates potential Measure A losses by estimating anticipated sales tax revenues, using the same methodology used to project local sales tax revenues. It then extracts the 0.50% designated for Measure A. It further reduces this amount to reflect only that portion (26.9%) that is allocated to the Coachella Valley region. Of the 26.9% allocated to the region, only 35% is allocated to local jurisdictions via the Streets/Roads program. Desert Hot Springs receives 2.9% of the local allocation.

County Service Area 152 Revenue

County Service Area (CSA) 152 supports the National Pollution Discharge Elimination System (NPDES), a program that implements the federal Clean Water Act of 1990. The program requires the adoption and implementation of storm water management plans, which reduce the discharge of pollutants from storm water systems into waters of the United States. Desert Hot Springs participates in CSA 152.

Under CSA 152, an annual assessment is levied on both developed and undeveloped lands. The amount assessed is based on a system of Benefit Assessment Units (BAUs). Each parcel is assigned a specific number of BAUs, based on land use, as shown in Table 4.3-1 below.

Table 4.3-1
County Service Area 152
Benefit Assessment Unit (BAU) Factors

Land Use	**BAU Assignment**
Single-Family Residential	1 BAU/dwelling unit
Multi-Family Residential	9 BAU/developed acre
Commercial/Industrial	12 BAU/developed acre
Golf Course/Private Park	0.10 BAU/developed acre
Parcels w/miscellaneous structures	0.05 BAU/developed acre
Agriculture, Dairies, Vacant and Undeveloped Parcels	0 BAU/acre

Each city has established its own BAU dollar value. To calculate the assessment for a particular property, the fiscal model multiplies the number of dwelling units or developed acres, by the number of BAUs assigned to the property, and the city's established BAU dollar rate. The BAU rate for Desert Hot Springs is $1.56.

Other City Specific Revenues

In addition to those revenue sources applicable throughout the CVMSHCP area, Desert Hot Springs receives revenues from three additional sources: the Public Safety Tax, the Utility Users Tax, and Community Facilities District (CFD) 2010-01. For purposes of this analysis, it has been assumed that both the Public Safety Tax and the Utility Users Tax will be maintained through the 20 year build-out period. These taxes do have sunsets, but have been renewed by the voters, and would be expected to be renewed again. The CFD has been assumed to be the vehicle that would replace the Landscaping and Lighting Districts previously used by the City. It has further been assumed that all future development on the lands proposed for conservation would be annexed to the CFD. Although the CFD includes a range of potential rates, this analysis assumes a cost of $400 per unit for maintenance costs, which would appear typical of a residential parcel. Single family residential units are assessed one Benefit Unit (BU) per unit; apartments are assessed 0.60 BU per unit, and industrial development is assessed 2 BU per acre.

GOVERNMENT COSTS

Investment Income

If municipal revenues are "lost" to conservation, any investment income that could be generated by these revenues will also be lost. To project potential investment earnings on new revenues, the supporting fiscal model applied the historical average interest rate of the 90-Day Treasury Bill, an average interest rate of 5.03%, which is the standard prescribed in the Riverside County "Guide to Preparing Fiscal Impact Reports."

Costs of General Government

General government costs represent the costs of providing a city's employee salaries and benefits, postage, printing, travel, equipment maintenance and repairs, contract services, computers, vehicles, and other items necessary for the day-to-day functioning of city government. These items are typically funded through the General Fund. The fiscal model translates total General Fund expenditures (minus expenditures for public safety and roadway maintenance, which are calculated separately and discussed below) into a per capita factor, and applies that amount to the anticipated build-out population. The result is the estimated cost of providing general government services to future residents. As there are considerable economies

of scale associated with providing general services, this analysis method, although consistent with the Guide, is extremely conservative, and overstates the likely costs to the City.

Costs of Public Safety Services

Public safety is defined for purposes of this analysis as police, fire, and ambulance services, as well as Code Compliance and Animal Control activities, which are conducted under this budget category as well. The costs of providing public safety services are calculated in the same manner as general government costs. The supporting fiscal model translates these expenditures into a per capita factor and applies this factor to the anticipated build-out population.

Costs of Roadway Maintenance

The costs associated with repairing and maintaining future paved public roads are calculated using a per road mile cost factor. The supporting fiscal model first determined the existing number of paved road miles per square mile of land area in the City. The model then identified the number of square miles of land area designated for conservation and estimates the number of potential paved road miles that could be constructed in the Conservation Area. The model then divided the City's total annual roadway maintenance costs by the number of paved road miles to determine an annual per road mile cost factor. Finally, the annual per road mile cost is applied to the number of potential paved road miles in the Conservation Area for that jurisdiction. For purposes of this analysis, it is assumed that new road development would occur as development would occur, and would be at the developers' expense. No cost would therefore result for the City.

4.3.3 Thresholds of Significance/Criteria for Determining Significance

The following thresholds are taken from the certified EIR/EIS dated September 2007 and reflect both NEPA and CEQA thresholds agreed to by all the Parties for analysis of socioeconomic and fiscal impacts. The Major Amendment and the Alternatives would have a significant effect on socioeconomic and the City's fiscal resources if it would:

a. Cause a significant adverse socioeconomic effect on communities located within the amended planning area.

b. Create a substantial adverse fiscal effect on the City or local governments as a consequence of the loss of public revenues or in association with the provision of governmental infrastructure (staff and facilities) associated with implementation of the Major Amendment.

c. Create a substantial adverse economic effect on an important sector of the planning area's economy.

d. Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of road or other infrastructure).

e. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere.

f. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.

4.3.4 Socioeconomic Project Impacts

Proposed Action/Preferred Alternative

Socioeconomic and Fiscal Effects

The approved Recirculated EIR/EIS prepared for the Plan considered the lands in Conservation Areas in each city and on unincorporated County lands, and calculated potential costs and revenues associated with build-out of those lands according to each jurisdiction's General Plan, in current dollars. Although not a Permittee of the Plan, Desert Hot Springs was included in the analysis because the Upper Mission Creek/Big Morongo Canyon Conservation Area encompasses the portions of the Mission Creek flood control channel and Morongo Wash within the City of Desert Hot Springs. The area was designated as a Special Provisions Area to address a potential Morongo Wash flood control facility and its associated mitigation, as well as conservation for a wildlife habitat corridor.

As discussed in the introduction to this section, the overall purpose of the SEIR/SEIS is to evaluate amending the Plan to include both Desert Hot Springs and MSWD as Permittees. However, the supporting FIA focuses on public costs and revenues that would result if vacant lands identified for conservation by the CVMSHCP were instead allowed to develop in Desert Hot Springs consistent with the current General Plan land use designation. MSWD does not have decision-making authority over land use designations and no Conservation Area boundaries will change within the MSWD service area outside of Desert Hot Springs; therefore, the fiscal impact of adding MSWD as a Permittee is not considered in the following impact analysis.

Within Desert Hot Springs, a total of 6,173+ acres are currently vacant and undeveloped in the proposed Conservation Areas. Of these, 2,933+ acres are designated as Open Space. This analysis assumes that Open Space lands would remain undeveloped, and would not have potential to generate revenues associated with development. Therefore, lands designated as Open

Space are not analyzed in this fiscal analysis. The remaining 3,240+ acres are designated for residential and industrial uses in the City's General Plan, as shown in Table 4.3-2, and are the subject of the cost/revenue analyses that follow.

Table 4.3-2
Desert Hot Springs
Summary of Potentially Developable Vacant Lands[1]

Land Use	*Description*	*Acreage*	*Type*	Potential Total Units or SF at Buildout[2]
RD	Rural Desert (0-1 du//10 ac	936	DU	72
R-E-10	Residential Estates (0-1 du/10ac)	233	DU	16
RR	Rural Residential (0-1 du/5ac)	465	DU	68
R-L	Low Density Residential (0-5 du/ac)	259	DU	972
R-L/SP	Low Density Residential, Specific Plan (0-5 du)	1,167	DU	4,376
	Single-Family Residential Subtotals	**3,060**	***DU***	**5,504**
R-M	Medium Density Residential (0-8 du/ac)	16	DU	96
R-H	High Density Residential (0-14 du/ac)	47	DU	492
	Multi-Family Residential Subtotals	**63**	**DU**	**588**
	RESIDENTIAL SUBTOTALS	**3,123**	***DU***	**6,092**
LI	Light Industrial	89	SF	1,318,124
I-L	Light Industrial	28	SF	414,692
	INDUSTRIAL SUBTOTALS[3]	**117**	**SF**	**1,732,816**
	TOTAL	**3,240**		

Source: Coachella Valley Association of Governments, December 10, 2010.
[1]Does not include lands designated for Open Space
[2]For residential development, assumes 75 percent of total du possible at maximum permitted density
[3]For industrial development, assumes 34 percent lot coverage at build-out.

As shown in the preceding table, development of lands designated for residential uses would result in construction of 6,092 single and multi-family dwelling units at buildout. In Desert Hot Springs, the average household size is 2.88 persons, as described by the California Department of Finance. Based on these data, and the previously stated assumption that 100% of these units would be occupied, the buildout population of the subject property would be 17,545.

Property Tax Revenue

As recommended by the Riverside County "Guide to Preparing Fiscal Impact Reports," the supporting fiscal model assumes all properties are taxed at a rate of 1 percent of valuation, and the collection rate is 100 percent. All property values are stated in year 2011 dollars. The value of new single-family residential units is based on the 2nd quarter 2010 median new home prices

provided in the "Inland Empire Quarterly Economic Report." As shown in that report, the median new home value for Desert Hot Springs is $207,000. The median value of new multi-family residences is assumed to be $98,490 per unit, which represents standard valuation of new multi-family residential development in Desert Hot Springs between July 2008 and March 2010. The value of new industrial development is assumed to be $60 per square foot.

Desert Hot Springs, receives 16.6% of the 1% allocation collected by the County. This allocation rate has been used to estimate potential property tax revenues that could be generated on proposed conservation lands within Desert Hot Springs. 23.1% of the 1% allocation goes to the Riverside County General Fund, and 60.3% goes to other agencies.

Based on the development assumptions previously discussed, projected City property tax revenues have been estimated for the 20-year project build-out period.

Potential Property Tax Revenues from Residential Development

There are approximately 3,123 developable acres within Desert Hot Springs designated for residential uses. Of these, 3,060+ are designated for single-family development, with densities ranging from 1 dwelling unit per 10 acres to 5 dwelling units per acre. The remaining 63+ acres are designated for medium and high density, multi-family development (maximum 14 dwelling units per acre).

Based on a median home price of $207,000 for single-family homes, and $98,490 for multi-family residential development, potential annual property tax revenues to the City from residential development would be $1,987,418 at build-out. Table V-2, below, summarizes potential annual property tax revenues for residential development for each of the four build-out phases.

Potential Property Tax Revenues from Industrial Development

There are approximately 117+ acres within Desert Hot Springs with developable potential for industrial uses. Potential property tax revenues to the City from all developable industrial lands in Desert Hot Springs total $172,588 annually. Potential annual property tax revenues for all four build-out phases from potentially developable industrial lands in Desert Hot Springs are summarized in Table 4.3-3.

Table 4.3-3 Desert Hot Springs Property Tax Revenue Summary Table				
	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total property tax revenue from residential development	$496,855	$993,709	$1,490,564	$1,987,418
Total property tax revenue from industrial development	$43,147	$86,295	$129,441	$172,588
Total property tax revenue from all development	**$540,002**	**$1,080,004**	**$1,620,005**	**$2,160,006**

As the proceeding Table shows, it is estimated that Desert Hot Springs would lose a total of $2,160,006 over the next 20 years in property tax revenues if the vacant lands currently designated for urban uses are conserved.

Property Transfer Tax Revenue

The Property Transfer Tax is levied by Riverside County upon a change of ownership, at a rate of $1.10 per $1,000 (or 0.11 percent) of the unencumbered property value. Riverside County collects Property Transfer Taxes on all changes in ownership that occur within its boundaries, including those located in incorporated cities. For transfers within an incorporated city, the revenue is divided evenly between the County (50 percent) and the city (50 percent) in which the property is located. Assumptions for estimated Property Transfer Tax revenues are calculated according to the instructions provided in the Riverside County "Guide to Preparing Fiscal Impact Reports."

In Desert Hot Springs, potential annual property transfer tax revenues have been calculated for approximately 3,240 acres of lands with potential for urban development. These include residential and industrial uses, discussed categorically below.

Potential Revenues from Residential Property Transfer Tax

In Desert Hot Springs, 3,123+ acres of developable land are designated for residential development. Based on build-out of these lands at 75 percent of maximum allowable densities, 6,092 new residential units would be constructed. Residential development on these lands would generate $355,544 annually in property transfer tax to the City at build-out.

Potential Revenues from Industrial Property Transfer Tax

For the 117+ acres of potentially developable lands designated for industrial use in Desert Hot Springs, and based on the transfer rate assumptions, annual property transfer tax revenues resulting from development of these lands for industrial use would be $16,012 at build-out. Table 4.3-4, below, summarizes potential annual property transfer tax revenues to the City, which would be lost if these lands are placed in conservation.

Table 4.3-4

Desert Hot Springs
Property Transfer Tax Revenue Summary

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total tax revenue from residential development	$172,301	$236,855	$292,053	$355,544
Total tax revenue from industrial development	$14,365	$14,874	$15,440	$16,012
Total property transfer tax revenue from all development	$186,666	$251,729	$307,493	$371,556

Sales and Use Tax Revenue

For vacant residential lands being proposed for conservation, estimates of potential sales tax revenues are based on the discretionary income of future residents. Assumptions for determining discretionary income of future residents, including monthly single and multi-family housing costs, are discussed above in Section 4.3.2.

Potential Sales Tax Revenues from Residential Development

Of the 3,123+ developable acres in Desert Hot designated for residential development, approximately 3,076 acres would be developed for single-family residential dwellings, with densities ranging from one dwelling unit per 10 acres to 5 dwelling units per acre. Residential development in Desert Hot Springs would yield annual sales tax revenues to the City of $445,532 at build-out. Table 4.3-5 summarizes potential annual sales tax revenues for residential development, which would be lost if the potentially developable lands are placed in conservation.

Table 4.3-5 **Desert Hot Springs** **Sales Tax Revenue Summary**				
	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total sales tax revenue from single-family residential development	$106,358	$212,715	$319,073	$425,430
Total sales tax revenue from multi-family residential development	$5,025	$10,051	$15,076	$20,102
Total sales tax revenue from all development	**$111,383**	**$222,766**	**$334,149**	**$445,532**

Motor Vehicle In-Lieu Revenue

Motor Vehicle In-Lieu Fees (also referred to as Motor Vehicle License Fees) are imposed on motorists in-lieu of a local property tax. These revenues are collected by the State of California, and a portion of the total revenue is allocated to each local jurisdiction on a monthly basis. Estimated apportionments payable to California cities and counties have been converted to annual per capita factors. For Fiscal Year 2009-2010, Desert Hot Springs was expected to receive $2.94 per capita.

Approximately 3,123 acres of vacant land are currently designated for residential development and would be conserved. If these lands were allowed to develop as currently designated, 6,092 new single and multi-family residential units would be constructed. Based on an average household size of 2.88 persons, it is estimated that at build-out, these new residential units would result in a total of 17,545 new residents. Consequently, Desert Hot Springs would stand to annually receive motor vehicle in-lieu revenues of $51,582 under current General Plan build-out of the affected area. Table 4.3-6 summarizes potential annual Motor Vehicle In-Lieu revenues to Desert Hot Springs for all four build-out phases.

Table 4.3-6 **Desert Hot Springs** **Motor Vehicle In-Lieu Revenue** **Summary Table**				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total Motor Vehicle In-Lieu Revenue from all development	**$12,896**	**$25,791**	**$38,687**	**$51,582**

Transportation Uniform Mitigation Fees

As previously discussed, Desert Hot Springs participates in the Transportation Uniform Mitigation Fee (TUMF) program. TUMF fees, which fund regional transportation improvement projects in the Coachella Valley, are paid by developers of new projects prior to the issuance of building permits.

Because all TUMF fees are allocated to CVAG for regional transportation improvements, and none are retained by the jurisdiction in which they were collected, the TUMF fees are also identified as a cost in the Restricted Fund Costs section. The direct fiscal impacts on Desert Hot Springs of implementing the Major Amendment will therefore be less than significant.

TUMF Fee Potential from Residential Development

TUMF fees for residential development are calculated per dwelling unit. Fees for single-family dwelling units are $1,837.44 per unit, and $1,276.80 per multi-family dwelling unit. In Desert Hot Springs, the 3,123+ acres with residential development potential would result in construction of 5,504 single-family residences and 588 multi-family residences, for a total of 6,092 residential units. Based on these data, CVAG would collect a total of $2,729,462 in TUMF fees for residential development during each phase of residential development in Desert Hot Springs. This is not annual revenue, but a one-time revenue that would occur at the time each unit is built.

Industrial Development TUMF Fee Potential

For industrial development, TUMF fees are collected at a rate of $1,031.56 per 1,000 square feet of gross floor area for industrial. There are approximately 117 acres of vacant lands with potential for 433,204 square feet of industrial space per phase. CVAG would collect $446,876 in TUMF fees per phase. This is not annual revenue, but a one-time revenue that would occur at the time each building is built. Table 4.3-7 summarizes TUMF fees that would be lost if all vacant lands with development potential in Desert Hot Springs were placed in conservation.

Table 4.3-7
Desert Hot Springs TUMF Revenue Summary Table

	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total TUMF revenue from residential development	$2,729,462	$2,729,462	$2,729,462	$2,729,462
Total TUMF revenue from industrial development	$446,876	$446,876	$446,876	$446,876
Total TUMF revenue from all development	**$3,176,339**	**$3,176,339**	**$3,176,339**	**$3,176,339**

Highway User Gas Tax Revenue

Desert Hot Springs received a per capita apportionment factor for fiscal year 2009-2010 of $16.15. Based on a total potential population of 17,545, total annual gas tax revenue from all development in Desert Hot Springs would be $283,351 at build-out. Table 4.3-8 summarizes potential annual Highway User Gas Tax revenues for Desert Hot Springs.

Table 4.3-8

Desert Hot Springs
Highway User Gas Tax Revenue Summary

	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total Gas Tax Revenue from all development	**$70,838**	**$141,676**	**$212,513**	**$283,351**

Measure A Revenue

Of the 8.75% sales tax collected in Riverside County, 0.50% is contributed to the Measure A fund. These revenues are managed and dispersed by the Riverside County Transportation Commission (RCTC). For Measure A revenues allocated to the Coachella Valley region, 65% is specifically designated for regional transportation projects, including highway and arterial improvements and public transit programs. Of the remaining 35% allocated to local jurisdictions for use in funding local street maintenance, traffic signal installation, and related improvements, 24% is allocated to the Coachella Valley region. Of that 24%, Desert Hot Springs receives a 3% allocation, based on the City's population and total taxable sales.

Potential Measure A Revenues from Residential Development

This analysis projects that potential residential development in Desert Hot Springs would result in approximately 6,092 residential dwellings. Potential residential development in Desert Hot Springs would yield $561 in annual Measure A revenues at build-out. Table 4.3-9 summarizes potential annual Measure A revenues that would be lost should potentially developable vacant lands in Desert Hot Springs be converted to conservation.

Table 4.3-9

Desert Hot Springs Measure A Revenue Summary

	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total Measure A revenue from single-family residential development	$134	$268	$402	$536
Total Measure A revenue from multi-family residential development	$6	$13	$19	$25
Total Measure A revenue from all development	**$140**	**$281**	**$421**	**$561**

County Service Area (CSA) 152 Revenue

Desert Hot Springs is one of four Coachella Valley cities that participate in CSA 152, to support the National Pollution Discharge Elimination System (NPDES), a program that implements the federal Clean Water Act of 1990. Riverside County collects, manages, and reimburses to the participating cities 100% of the CSA 152 assessments collected.

Desert Hot Springs' BAU dollar rate is $1.56. The assessment for residential lands is based on the BAU dollar rate multiplied by the number of dwelling units on a parcel, and the number of BAUs assigned to the property. The same formula is used to determine the assessment for industrial lands, with the exception that the assessment is based on the number of developed acres on a parcel instead of dwelling units per parcel. CSA 152 revenue assessments are discussed for residential and industrial development, below.

Potential CSA 152 Revenue from Residential Development

There are approximately 3,123 vacant acres in Conservation Areas with potential for residential development. If allowed to develop under their current designations, these 3,123 acres would result in construction of 6,092 units at buildout. Therefore, potential annual CSA 152 revenues from residential development would be $9,504 at build-out.

Potential CSA 152 Revenue from Industrial Development

There are a total of 117+ undeveloped acres with potential for industrial development. Those 117+ acres of developed industrial lands would yield $2,190 in annual CSA 152 revenues at build-out. Table 4.3-10 summarizes potential annual CSA 152 revenues from all vacant lands with potential for urban development in Desert Hot Springs.

Table 4.3-10 Desert Hot Springs CSA 152 Revenue Summary				
	Build-out Phase			
	Phase I (Yrs 1-5)	Phase II (Yrs 6-10)	Phase III (Yrs 11-15)	Phase IV (Yrs 16-20)
Total CSA 152 Revenue from Residential Development	$2,376	$4,752	$7,128	$9,504
Total CSA 152 Revenue from Industrial Development	$548	$1,095	$1,643	$2,190
Total CSA 152 Revenue from all Development	**$2,923**	**$5,847**	**$8,770**	**$11,694**

Special Revenue Sources

Desert Hot Springs Utility Tax

The City of Desert Hot Springs levies a Utility Tax on all users of electricity, natural gas, cable and other utilities. The tax is equal to 7% of each utility bill. Utility Tax revenues for fiscal year 2009-2010 were $2,529,180. With approximately 9,223 occupied dwelling units in the City in 2010, this equates to approximately $274.23 per dwelling unit per year.

To determine potential utility tax revenues, this analysis multiplies the annual per dwelling unit factor ($274.23) by the number of units that could be constructed on proposed conservation lands. The model does not project potential utility tax revenues generated by future industrial development, because the per dwelling unit factor shown above ($274.23) accounts for all utility users in the City, including industrial development.

As previously stated, it is projected that a total of 6,092 residential units would be constructed in Desert Hot Springs at build-out, and it is assumed that 100 percent of these units would be occupied. Applying the $274.23 per dwelling unit factor, annual Utility Tax revenues would be $1,670,581 at build-out. Table 4.3-11, below, summarizes this information.

Table 4.3-11 Desert Hot Springs Utility Tax Revenue Summary				
	Buildout Phase			
	Phase I (Yrs 1-5)	Phase II (Yrs 6-10)	Phase III (Yrs 11-15)	Phase IV (Yrs 16-20)
Total Utility Tax Revenue from all residential development	**$417,645**	**$835,290**	**$1,252,936**	**$1,670,581**

Desert Hot Springs Public Safety Tax

The City of Desert Hot Springs collects a Public Safety Tax, recently renewed by the voters. This tax is a restricted revenue source that provides for police, fire, code compliance, and animal control services and programs. Table 4.3-12 identifies applicable tax rates that are applied to future development that could occur on proposed conservation lands.

Table 4.3-12
Desert Hot Springs
Public Safety Tax Rates

Land Use	Annual Public Safety Tax Rate
Residential	
Single family	$120.87/unit
Duplexes/R-2	$67.60/unit
Apartments	$38.72/unit
Vacant Acres (all densities)	$8.57/acre
Industrial	
Developed Acres (all categories)	$521.91/acre
Vacant Acres (all categories)	$2.36/acre

Source: City of Desert Hot Springs, Fiscal Year 2010-2011.

Potential Public Safety Tax Revenues from Residential Development

Lands proposed for conservation could yield 6,092 units, of which 5,504 would be single family homes, 96 medium density (duplex, R-2) units, and 492 apartments. The resulting calculations show that for all lands designated for residential development annual public safety tax revenues would be $690,815.

Potential Public Safety Tax Revenues from Industrial Development

There are 117 acres proposed for industrial development within the Conservation Areas. Based on the rates shown above (Table 4.3-12), the City would receive $20,762 at build-out from industrial development for its public safety tax. Table 4.3-13 summarizes potential public safety tax revenues for all vacant lands with potential for development. These revenues would be lost should these lands be converted to conservation.

Table 4.3-13 Desert Hot Springs Public Safety Tax Revenue Summary				
	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total tax revenue from residential development	$211,861	$371,511	$531,163	$690,815
Total tax revenue from industrial development	$5,398	$10,519	$15,641	$20,762
Total Public Safety tax revenue from all development	**$217,259**	**$382,030**	**$546,804**	**$711,577**

Desert Hot Springs Community Facilities District

The City previously relied on landscaping and lighting districts to fund parkway maintenance for new development. Since the preparation of the last Fiscal Impact Analysis, the City has established a Community Facilities District, to which all new development will be annexed. Therefore, lands proposed for conservation, should they be developed, would participate in the CFD when development occurred. The CFD includes a broad range of annual assessments, based on the maintenance category of each parcel. Since it impossible to estimate the maintenance category of the potential development on conservation lands, a mid-range value of $400.00 per parcel for residential development, and $950.00 for industrial development have been estimated. The CFD further prescribes that single family residential units are charged a Benefit Unit of 1, multi-family units are charged a Benefit Unit of 0.6, and industrial development is charged at 2 Benefit Units. These assumptions were used to calculate the potential revenues to the City resulting from development of the conservation lands.

Potential CFD Revenues from Residential Development

The 5,504 single family residential units would generate a total of $2,201,600 at build-out for the CFD, while multi-family units would generate $141,120, for a total residential contribution of $2,342,720 to the CFD at build-out.

Potential CFD Revenues from Industrial Development

There are 117+ acres with potential for development for industrial uses in Desert Hot Springs. Based on the assumptions shown above, total annual CFD revenues would be $95,043 at buildout. Table 4.3-14 summarizes CFD assessment revenues for lands with potential for development. CFD revenues would be lost if these lands are placed in conservation.

Table 4.3-14 Desert Hot Springs Community Facilities District Revenue Summary				
	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total CFD Revenue from Single-Family Residential Development	$550,400	$1,100,800	$1,651,200	$2,201,600
Total CFD Revenue from Multi-Family Residential Development	$35,280	$70,560	$105,840	$141,120
Total CFD Revenue from Industrial Development	$95,043	$95,043	$95,043	$95,043
Total Annual CFD Revenue from all development	**$680,723**	**$1,266,403**	**$1,852,083**	**$2,437,763**

Investment Income

Revenues lost to conservation will also result in loss of any investment income that could be generated by these revenues. Potential investment earnings on new revenues are projected using the historical average interest rate of the 90-Day Treasury Bill. During the 29-year period from 1982 through April 2011, the average interest earned on the 90-Day Treasury Bill was 5.03%. Potential annual investment income for each land use is shown below.

Summary of Revenues

Table 4.3-15 summarizes all general fund and restricted fund revenues that would be lost if vacant lands in Desert Hot Springs with development potential were placed in conservation under the proposed Major Amendment. This table also shows potential annual investment income that would be lost as a result of conservation of these lands.

Table 4.3-15 City of Desert Hot Springs Total Potential Revenues Associated with Development of Conservation Lands Summary				
	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
ANNUAL REVENUES				
General Fund:				
Property Tax	$540,002	$1,080,004	$1,620,005	$2,160,006
Property Transfer Tax	$186,666	$251,729	$307,493	$371,556
Local Sales Tax	$111,383	$222,766	$334,149	$445,532
Transient Occupancy Tax	$0	$0	$0	$0
Utility Tax	$417,645	$835,290	$1,252,936	$1,670,581
Motor Vehicle In-Lieu Revenue	$12,896	$25,791	$38,687	$51,582
Restricted Funds:				
TUMF Fees	$3,176,339	$3,176,339	$3,176,339	$3,176,339
Highway Users Gas Tax	$70,838	$141,676	$212,513	$283,351
Measure A	$140	$281	$421	$561
CSA 152 (NPDES)	$2,923	$5,847	$8,770	$11,694
Community Facilities District	$680,723	$1,266,403	$1,852,083	$2,437,763
Public Safety Tax	$217,259	$382,030	$546,804	$711,577
SUMMARY OF REVENUES:				
Revenues:				
Total Annual General Fund Revenues	$1,268,592	$2,415,581	$3,553,269	$4,699,257
Total Annual Restricted Fund Revenues	$4,148,221	$4,972,575	$5,796,930	$6,621,284
Revenue Subtotal	$5,416,814	$7,388,155	$9,350,199	$11,320,541
Average Interest Rate on 90-Day Treasury Bills	5.03%	5.03%	5.03%	5.03%
Anticipated Interest Earned on Revenues	$272,466	$371,624	$470,315	$569,423
Total Annual Revenues at Phase Build-out	**$5,689,279**	**$7,759,780**	**$9,820,514**	**$11,889,964**

Potential Costs to the City of Desert Hot Springs

If lands being proposed for conservation are allowed to develop in the future, they will generate additional municipal costs. Expenditures will be required for general government services and the expansion and/or extension of infrastructure, roads, and other public services. The supporting fiscal model estimates the costs of providing general government services, public safety, and transportation/roadway maintenance to new development on lands identified for conservation under the proposed Major Amendment. The City will not incur these costs if these lands remain undeveloped and are placed in conservation.

Costs of General Government

General government costs represent the costs of providing a city's employee salaries and benefits, postage, printing, travel, equipment maintenance and repairs, contract services, computers, vehicles, and other items necessary for the day-to-day functioning of city government. These items are typically funded through the General Fund.

According to the 2010-2011 Fiscal Year Budget, General Fund Expenditures in Desert Hot Springs are proposed at $4,119,709.00. According to the California Department of Finance, Desert Hot Springs has a population of 26,811. Based on these data, the annual per capita cost of providing general government services is $153.66 per person.

In Desert Hot Springs, development of the approximately 3,123 acres of vacant lands designated for residential uses would result in a total 6,092 new single and multi-family residential units, which would increase Desert Hot Springs' population by 17,545 persons at build-out. Based on the per capita figure cited above ($153.66), annual cost for the provision of general government services to the build-out population of potentially developable lands in Desert Hot Springs would be $2,695,913. Table 4.3-16 summarizes the annual general government costs for each build-out phase.

Table 4.3-16

Desert Hot Springs
Costs of General Government Summary

	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Annual Costs of General Gov. for all development	$673,978	$1,347,957	$2,021,935	$2,695,913

Costs of Public Safety Services

The costs of providing public safety to future residents are calculated in the same manner as general government costs. Public safety expenditures include those associated with the police and fire departments, as well as code compliance and animal control departments. Public safety expenditures for fiscal year 2010-2011 are proposed at $9,573,455, or $357.07 per capita. As previously stated, a build-out population of 17,545 would result from development of 6,092 new residential dwellings on the vacant lands proposed for conservation within the City. Therefore, annual costs for provision of public safety services to the build-out population would be $6,264,812. Table 4.3-17 summarizes annual public safety costs for each build-out phase.

Table 4.3-17 *Desert Hot Springs* **Costs of Public Safety Summary**				
	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Annual Costs of Public Safety for all development	**$1,566,203**	**$3,132,406**	**$4,698,609**	**$6,264,812**

Costs of Roadway Maintenance

A per mile road cost factor is used to determine costs associated with repair and maintenance of future paved public roads in the Conservation Area.

In Desert Hot Springs, there are approximately 29.3 square miles of land and 134.96 paved road miles within the incorporated City limits, which equates to 4.6 road miles per square mile of land area. A total of approximately 10.1 square miles are designated for conservation, including both developed and vacant lands. Using the average of 4.6 road miles per square mile of land area, the potentially developable area proposed for conservation in Desert Hot Springs is estimated to include 46.5 miles of paved roadways at build-out.

In Desert Hot Springs, an estimated annual expenditure of $88,777 is required to maintain the 135 existing miles of paved roadway annually. This equates to an annual maintenance cost of approximately $658 per road mile. In Desert Hot Springs, the potential 46.5 road miles in the Conservation Area would require maintenance expenditures of approximately $30,602 per year at build-out. Table 4.3-18 summarizes projected annual roadway maintenance costs for Desert Hot Springs for each phase. Should lands identified for conservation under the Major Amendment be conserved, it is assumed no roadways will be required to serve those lands, and therefore, these costs will not be incurred.

Table 4.3-18 **Desert Hot Springs** **Costs of Roadway Maintenance Summary**				
	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Annual Cost of Roadway Maintenance at Phase Build-out	**$7,651**	**$15,301**	**$22,952**	**$30,602**

Summary of Costs

Table 4.3-19 summarizes all general fund and restricted fund costs associated with potentially developable lands in the proposed Major Amendment area in Desert Hot Springs.

Table 4.3-19 *Desert Hot Springs* **Total Potential Costs Associated with Development of Conservation Lands Summary**				
	Build-out Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
ANNUAL COSTS				
General Fund:				
General Government Costs	$673,978	$1,347,957	$2,021,935	$2,695,913
Restricted Funds:				
Public Safety Costs	$1,566,203	$3,132,406	$4,698,609	$6,264,812
Roadway Maintenance Costs	$7,651	$15,301	$22,952	$30,602
TUMF Allocation to CVAG	$3,176,339	$3,176,339	$3,176,339	$3,176,339
SUMMARY OF COSTS:				
Costs:				
Total Annual General Fund Costs	$673,978	$1,347,957	$2,021,935	$2,695,913
Total Annual Restricted Fund Costs	$4,750,192	$6,324,046	$7,897,900	$9,471,753
TOTAL ANNUAL COSTS AT PHASE BUILD-OUT	**$5,424,171**	**$7,672,002**	**$9,919,834**	**$12,167,666**

Cost/Revenue Summary

Table 4.3-20 summarizes all potential revenues and costs the City will realize if all of the 3,240+ acres of potentially developable conservation lands within Desert Hot Springs are allowed to develop. The table also summarizes costs that will be incurred if these lands are developed.

Table 4.3-20
Total Potential Costs/Revenues Associated with Development of Conservation Lands Summary Table - City of Desert Hot Springs

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
ANNUAL REVENUES				
General Fund:				
Property Tax	$540,002	$1,080,004	$1,620,005	$2,160,006
Property Transfer Tax	$186,666	$251,729	$307,493	$371,556
Local Sales Tax	$111,383	$222,766	$334,149	$445,532
Transient Occupancy Tax	$0	$0	$0	$0

Table 4.3-20
Total Potential Costs/Revenues Associated with Development of Conservation Lands
Summary Table - City of Desert Hot Springs

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Utility Tax	$417,645	$835,290	$1,252,936	$1,670,581
Motor Vehicle In-Lieu Revenue	$12,896	$25,791	$38,687	$51,582
Restricted Funds:				
TUMF Fees	$3,176,339	$3,176,339	$3,176,339	$3,176,339
Highway Users Gas Tax	$70,838	$141,676	$212,513	$283,351
Measure A	$140	$281	$421	$561
CSA 152 (NPDES)	$2,923	$5,847	$8,770	$11,694
Community Facilities District	$680,723	$1,266,403	$1,852,083	$2,437,763
Public Safety Tax	$217,259	$382,030	$546,804	$711,577
ANNUAL COSTS				
General Fund:				
General Government Costs	$673,978	$1,347,957	$2,021,935	$2,695,913
Restricted Funds:				
Public Safety Costs	$1,566,203	$3,132,406	$4,698,609	$6,264,812
Roadway Maintenance Costs	$7,651	$15,301	$22,952	$30,602
TUMF Allocation to CVAG	$3,176,339	$3,176,339	$3,176,339	$3,176,339
SUMMARY OF REVENUES/COSTS:				
Revenues:				
Total Annual General Fund Revenues	$1,268,592	$2,415,581	$3,553,269	$4,699,257
Total Annual Restricted Fund Revenues	$4,148,221	$4,972,575	$5,796,930	$6,621,284
Revenue Subtotal	$5,416,814	$7,388,155	$9,350,199	$11,320,541
Historic Average Interest Rate on 90-Day Treasury Bills	5.03%	5.03%	5.03%	5.03%
Anticipated Interest Earned on Revenues	$272,466	$371,624	$470,315	$569,423
Total Annual Revenues at Phase Build-out	$5,689,279	$7,759,780	$9,820,514	$11,889,964
Costs:				
Total Annual General Fund Costs	$673,978	$1,347,957	$2,021,935	$2,695,913
Total Annual Restricted Fund Costs	$4,750,192	$6,324,046	$7,897,900	$9,471,753
Total Annual Costs at Phase Build-out	$5,424,171	$7,672,002	$9,919,834	$12,167,666
Annual Cash Flow at Phase Build-out	**$265,109**	**$87,777**	**-$99,320**	**-$277,702**

Based on the summary table, currently vacant lands with potential for urban development in Desert Hot Springs would, if developed, result in a negative cash flow for the City over the long term. This is attributable to the fact that residential development does not generate sufficient municipal revenues to cover associated costs, particularly in areas such as Desert Hot Springs, where housing is affordable. Therefore, conservation of these potentially developable lands under the proposed Major Amendment will benefit Desert Hot Springs over the long term.

Population Growth

The proposed Major Amendment would not directly induce population growth in the Plan Area as it would simply result in establishing Conservation Areas within the City and granting Permittee status to the City and MSWD.

Housing Displacement

The proposed Major Amendment would establish Conservation Areas within City limits and would not displace any existing housing or persons that would necessitate the construction of replacement housing elsewhere. The inclusion of MSWD as a Permittee of the Plan would not result in displacement of any existing housing.

Displacement of People

The project would not displace any existing housing or persons and would not necessitate the construction of replacement housing elsewhere.

Public Lands Alternative

This Alternative includes all lands managed for conservation under local, state, and federal agency ownership, and Private Conservation Lands, and could require additional management prescriptions to be implemented on certain BLM and other public lands. No new areas would be acquired for CVMSHCP purposes. Because this Alternative does not propose additional conservation of lands, no socioeconomic effects would result including displacement of housing or people. State and federal lands would be managed in a manner consistent with their respective management plans, and thus this Alternative would not conflict with such plans.

Core Habitat with Ecological Processes Alternative

This Alternative would have a lower level of conservation of private lands compared to the Proposed Action and Preferred Alternative. Although the jurisdictions would be able to develop lands that would otherwise be conserved, the increased land mass in each jurisdiction would not be significant for CEQA/NEPA analysis purposes, and would not impact any jurisdiction's ability to provide adequate lands for development. Affordable housing could be permitted on

lands that would otherwise be conserved. It would not directly induce substantial population growth in the CVMSHCP Area, as the Plan does not propose any new construction. The Major Amendment would not result in any changes to these conclusions.

Enhanced Conservation Alternative

This Alternative would result in slight increases in lands included in Conservation Areas in the City of Desert Hot Springs. The overall percentage increase, however, would not significantly increase the lands lost by the City. Impacts to the fiscal health of the City would be expected to be similar to those described above under the Proposed Action/Preferred Alternative. Impacts to the development potential within Desert Hot Springs would be expected to be similar to those described above under the Proposed Action/Preferred Alternative. This Alternative would not directly induce substantial population growth in the Plan Area, as the Plan does not propose any new construction. This Alternative would not displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere. This Alternative also does not displace substantial numbers of people, necessitating the construction of replacement housing elsewhere. The Major Amendment would not result in any changes to these conclusions.

No Action/No Project Alternative

Under the approved Recirculated EIR/EIS, it was determined the No Action/No Project Alternative would result in all lands proposed for inclusion in Conservation Areas under the Preferred Alternative potentially being available for development. Since there is now an approved Plan in place, the No Action/No Project Alternative for the proposed Major Amendment would mean that both the City of Desert Hot Springs and MSWD would not become Permittees of the Plan. It was concluded that vacant lands with potential for urban development in Desert Hot Springs would, if developed, result in a negative cash flow for the City over the long term and conservation of some lands as recommended under the Proposed Action/Preferred Alternative will benefit Desert Hot Springs over the long term. Therefore, the beneficial fiscal impact for the City would not be realized under the No Action/No Project Alternative.

4.3.5 Mitigation Measures

Proposed Action/Preferred Alternative

Based on the preceding analysis, it has been determined that no significant adverse impacts related to socioeconomic conditions have been identified in association with the implementation of the proposed Major Amendment. Therefore, no mitigation measures are required.

Public Lands Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse impacts related to socioeconomic issues would result from this Alternative for CEQA/NEPA analysis purposes. The Major Amendment would not result in any changes to that conclusion and therefore, no mitigation measures would be required.

Core Habitat with Ecological Processes Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse impacts related to socioeconomic issues would result from this Alternative for CEQA/NEPA analysis purposes. The Major Amendment would not result in any changes to that conclusion and therefore, no mitigation measures would be required.

Enhanced Conservation Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, this Alternative would result in similar impacts as those described for the Proposed Action/Preferred Alternative for CEQA analysis purposes. Impacts to the fiscal health of the City would be similar to those described above under the Preferred Alternative. Impacts to the development potential within the City would also be identical to those described above under the Proposed Action/Preferred Alternative.

No Action/No Project Alternative

This Alternative would result in lands proposed for inclusion in Conservation Areas under the Preferred Alternative potentially being available for development. Individual development, however, would be required to secure permits for any projects that would result in Take. The City of Desert Hot Springs would experience a financial loss at build-out, since the costs and revenues described above and in the Appendix would actually occur. Therefore, this alternative would result in negative cash flow for the City.

4.3.6 Levels of Significance after Mitigation

Proposed Action/Preferred Alternative

No significant impacts have been identified and therefore no mitigation is necessary.

Public Lands Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse impacts related to socioeconomic conditions would result from this Alternative for CEQA/NEPA analysis purposes. The Major Amendment would not result in any changes to that conclusion.

Core Habitat with Ecological Processes Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse impacts related to socioeconomic conditions would result from this Alternative for CEQA/NEPA analysis purposes. The Major Amendment would not result in any changes to that conclusion.

Enhanced Conservation Alternative

As indicated in the approved EIR/EIS Recirculated prepared for the Plan, this Alternative would result in similar impacts as those described for the Proposed Action/Preferred Alternative. The Major Amendment would not result in any changes to that conclusion.

No Action/No Project Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, this Alternative would result in potential build-out of the additional lands proposed for conservation in the City. According to the supporting Fiscal Impact Analysis, the City of Desert Hot Springs would experience a financial loss if these lands are developed consistent with current General Plan land uses. Therefore, this Alternative would result in a significant impact to the City's economic base.

4.4 TRANSPORTATION, TRAFFIC, AND CIRCULATION

4.4.1 Introduction and Methodology

This section analyzes the potential impacts the proposed Major Amendment would have on transportation, traffic, and circulation. The existing circulation and transportation system serving the overall CVMSHCP Area is composed of a series of separate modes or types of passenger travel and relatively free-flowing movement. In each alternative, existing roadways are considered acceptable land uses and would not be removed.

While the construction of planned roadways is a Covered Activity, the design, siting, and construction of these planned roadways would be subject to guidelines outlined in the Conservation Goals and Objectives in the existing CVMSHCP. Transportation impacts would generally occur where the use or improvement of existing roadways or construction of planned roadways would be constrained by the Plan, resulting in reduced levels of service, increased congestion, or reduced access. Similar to the approved 2007 Final Recirculated EIR/EIS, the SEIR/SEIS provides an analysis of these impact areas as they relate to the Major Amendment.

4.4.2 Existing Conditions/Affected Environment

This section is based in part on the baseline conditions presented in the Draft Circulation Element of the Desert Hot Springs General Plan Update currently being prepared by the City.

The roadway system in the Major Amendment Area is under the jurisdiction of state and local agencies, including:

- California Department of Transportation (Caltrans)
- County of Riverside
- City of Desert Hot Springs

In addition, CVAG provides interagency coordination for jurisdictions in the Valley. Caltrans, the County, and local Permittees have all identified roadway improvement projects as Covered Activities in the approved CVMSHCP.

The list of Covered Activities for Permittees in the approved CVMSHCP includes several classes of projects anticipated over the 75-year term and includes interchange improvements along I-10, Caltrans improvements to state highway corridors, local arterial improvements identified by cities, CVAG, and the County. The descriptions of all of these improvements are contained in Appendix K of the approved 2007 Final Recirculated EIR/EIS.

Roadways within the Major Amendment Area

Regional Roadways

Two regional roadways serve the City and MSWD territory, State Highway 62 and Interstate-10 (I-10). I-10 is a major east-west interstate roadway located adjacent to the southern boundary of the City of Desert Hot Springs (refer to Figure 1-2). At that location it is built as an eight-lane divided freeway accessed from diamond intersections spaced a minimum of one mile apart. It connects the Los Angeles region with San Bernardino and Riverside Counties and states east of the Colorado River.

State Highway 62 is a north-south roadway that connects to I-10 and travels through the western portion of the City of Desert Hot Springs northward to Morongo Valley and Twentynine Palms areas. Within the Major Amendment Area, this roadway is constructed as a four-lane divided highway. Highway 62 provides important regional access to Joshua Tree National Park and the Twentynine Palms Marine Corps Air Ground Combat Center, as well as the Colorado River and the Mojave Desert wilderness and recreation areas.

Local Roadways

In addition to Highway 62, interchanges are located at I-10 for Palm Drive and Indian Avenue, providing north-south access to the City and the proposed Major Amendment Area. Palm Drive varies from Major Arterial (six-lanes, divided) to Major Collector (four-lanes, divided). Indian Avenue varies from Minor Arterial (two-lanes, divided) to Major Arterial (six-lanes, divided).

Major east-west roadways in the Major Amendment Area include Pierson Boulevard, which ranges between four to six lanes divided; Two Bunch Palms Trail, four-lanes undivided to four-lanes divided; Little Morongo Road, four to-six lanes divided; Mission Lakes Boulevard, four-lanes divided; and Hacienda Boulevard, four-lanes divided and undivided.

Airports within the Major Amendment Area

The nearest commercial airport to the Major Amendment Area is the Palm Springs International Airport located approximately three miles south of the City limits, within the City of Palm Springs. Non-commercial general aviation airports within the overall CVMSHCP Area include Bermuda Dunes airport approximately 16 miles southeast of the proposed Major Amendment Area and the Jacqueline Cochrane Regional Airport in Thermal, approximately 27 miles southeast of the proposed Major Amendment Area. There are no public or private airports within the proposed Major Amendment Area.

Public Transportation within the Major Amendment Area

The Sunline Transit Agency is the provider of public transit service within the City of Desert Hot Springs and the rest of the Coachella Valley. Sunline has made a concerted effort to reduce local and regional air pollutant emissions and to encourage alternative modes of transportation. Its fleet of buses is powered by compressed natural gas (CNG), and each fixed route bus has been outfitted with two bicycle racks. There are currently two routes serving the City of Desert Hot Springs: Sunbus Line 14 provides service along Palm Drive, Mission Lakes Boulevard, West Drive and Pierson Boulevard. Sunbus Line 15 provides service along Palm Drive, Hacienda Avenue, Pierson Boulevard, West Drive, and Two Bunch Palms Trail. Sunline also provides the "Sun Dial" service, consisting of a fleet of small buses providing curb-to-curb service from home to destination. The Sun Dial service is wheelchair accessible, and must be requested at least 72 hours in advance.

4.4.3 Thresholds of Significance/Criteria for Determining Significance

The following thresholds are taken from the certified EIR/EIS dated September 2007 and reflect both NEPA and CEQA thresholds agreed to by all the Parties for analysis of transportation impacts. Because CEQA has more stringent and detailed thresholds related to biological resources, over those for NEPA, the following thresholds are based on the criteria identified in Appendix G of the CEQA Guidelines, the Major Amendment would have a significant effect on transportation, traffic, and circulation, if it would:

a. *Conflict with an applicable plan, ordinance, or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit*

b. Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways

c. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks

d. Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)

e. Result in inadequate emergency access

f. Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities

The above thresholds have changed slightly from the approved 2007 Recirculated EIR/EIS but are consistent with the current CEQA Guidelines and the Initial Study/NOP issued for the Supplemental EIR/EIS.

4.4.4 Transportation, Traffic, and Circulation Impacts

Proposed Action/Preferred Alternative

Applicable Plans and Policies

As shown in Table 2-1, Section 2.4, the City has included a number of roadway projects as Covered Activities under the proposed Major Amendment. Although the affected roadway segments will become Covered Activities under the Major Amendment, they also represent planned improvements per the City's existing General Plan Circulation Element and have been programmatically reviewed under the General Plan EIR. The City has selected key roadway segments from their Circulation Element as Covered Projects under the Major Amendment to ensure efficient levels of service on existing and planned roadways as the City continues to build out in accordance with its General Plan. This is consistent with the approved September 2007 Recirculated EIR/EIS, which specifies that approval of the Plan would result in a significant impact to circulation and transportation systems only if it precluded the ability of the various roadway agencies to make necessary improvements or develop planned key arterials and roadway segments. The currently approved CVMSHCP already includes a number of regional roads within the City as Covered Activities which are also on the Coachella Valley Association of Government's list of covered projects. The impacts of these projects were evaluated and addressed in the 2007 Recirculated EIR/EIS. These roadways would thus be constructed regardless of whether the City becomes a Plan Permittee. The approved Plan incorporates design and impact avoidance/minimization and mitigation measures that address development, improvement, and operation and maintenance of Covered Activities, including roadways; these measures would apply to future roadway projects as well. Implementation of these required measures will be made a condition of project approval for all Covered Activities within the City. No new regional roadways have been proposed since 2007 within the area subject to the proposed Major Amendment.

Congestion Management

The agencies with jurisdiction over transportation in the Major Amendment Area (i.e., City of Desert Hot Springs, CVAG, Riverside County) all have adopted performance criteria for roadway planning and operating procedures. However, only the City of Desert Hot Springs is

proposing to add transportation projects to the list of Covered Activities as part of the proposed Major Amendment. The City of Desert Hot Springs utilizes "Level of Service" (LOS) criteria to assess performance of roadway links and intersections. LOS includes a range of alphabetical connotations "A" through "F", used to characterize roadway operating conditions. LOS A represents the best/free flow conditions and LOS F indicates the worst/system failure. LOS D is considered the generally acceptable service level at intersections and roadways throughout the City, similar to other jurisdictions in the Plan Area, although anything better is desirable.

For purposes of this analysis, a significant impact to transportation caused by the Major Amendment would be one that caused a roadway link or intersection to operate below LOS D. Such a deficiency must be "caused" by implementation of the Major Amendment for it to be considered an impact. Deficiencies that exist without implementation of the Major Amendment are not a result of the "Project" and therefore, would not be considered a significant impact. Significant impacts are also considered based upon substantial conflicts with other transportation systems, including railroads and airports, or the creation of inadequate emergency access as a result of the Major Amendment.

Adding the City of Desert Hot Springs and MSWD as Permittees of the Plan and establishing Conservation Areas within the City will not conflict with the County's Congestion Management Program, as it will not result in the generation of any new vehicle trips. Per the approved September 2007 Final Recirculated EIR/EIS, a LOS deficiency must be caused by implementation of the Plan for it to be considered an impact. Therefore, existing deficiencies in LOS or traffic control systems are not considered a significant impact if they would remain regardless of whether the Major Amendment is approved. The establishment of Conservation Areas within the City and implementation of the stated Conservation Goals and Objectives of the Plan would not conflict with a congestion management program, existing LOS standards, or other standards established by the County for designated roads or highways.

Air Traffic

As noted above, there are no public or private airports within the Major Amendment Area. Therefore, the proposed Major Amendment would not impede existing air traffic navigational patterns or cause a change in the location of existing airport facilities in the region. No significant impacts related to air traffic would occur as a result of project implementation.

Hazards

The proposed Major Amendment would not result in new roadways or other physical improvements that could increase roadway hazards. The City proposed Covered Activities (roadway improvements) would result in improvements to existing roadways and would employ standard construction safety measures per City requirements. Therefore, no significant impacts

related to roadway hazards would occur as a result of project implementation.

Emergency Access

The CVMSHCP allows Take Authorization for emergency access and emergency response within the Plan Area. The Major Amendment will not result in any revisions to this policy and therefore, no impacts related to emergency access would occur.

Public Transit

Implementation of the proposed Major Amendment would not conflict with adopted policies or involve elimination of facilities supporting alternative transportation such as bus turnouts or bicycle racks. Access to bus stops will be maintained to the extent feasible during construction of proposed roadway improvements that are to be included by the City as Covered Activities. Therefore, no significant impacts related to public transit or alternative transportation would occur as a result of implementing the proposed Major Amendment.

Public Lands Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse impacts on transportation, traffic, or circulation would result from this Alternative for CEQA/NEPA analysis purposes. The Major Amendment would not result in any changes to that conclusion.

Core Habitat with Ecological Processes Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse impacts on transportation, traffic, or circulation would result from this Alternative for CEQA/NEPA analysis purposes. The Major Amendment would not result in any changes to that conclusion.

Enhanced Conservation Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, this Alternative would result in significant impacts on transportation, traffic, or circulation for CEQA/NEPA analysis purposes. The impacts of this Alternative to local, regional, state and federal roadways cannot be effectively mitigated. The Major Amendment would not result in any changes to that conclusion.

No Action/No Project Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse

direct impacts on transportation, traffic, or circulation would result from this Alternative; however, significant adverse indirect impacts could result from the absence of a Plan for CEQA/NEPA analysis purposes. Since there is an approved Plan in place, the proposed Major Amendment would serve to enhance the Plan and avoid indirect transportation impacts that may result due to the City not being a Permittee.

4.4.5 Transportation, Traffic, and Circulation-Related Mitigation Measures

Proposed Action/Preferred Alternative

The proposed Major Amendment would not result in a significant impact to existing or planned transportation networks in the Plan Area. No mitigation measures are required.

Public Lands Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse impacts on transportation, traffic or circulation would result from this Alternative for CEQA/NEPA analysis purposes. The Major Amendment would not result in any changes to that conclusion and no mitigation measures would be required.

Core Habitat with Ecological Processes Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse impacts on transportation, traffic, or circulation would result from this Alternative for CEQA/NEPA analysis purposes. The Major Amendment would not result in any changes to that conclusion and no mitigation measures would be required.

Enhanced Conservation Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, this Alternative would result in significant impacts on transportation, traffic, or circulation for CEQA/NEPA analysis purposes. The impacts of this Alternative to local, regional, state, and federal roadways cannot be effectively mitigated. The Major Amendment would not result in any changes to that conclusion and no new mitigation measures have been proposed.

No Action/No Project Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse direct impacts on transportation, traffic, or circulation would result from this Alternative;

however, for CEQA/NEPA analysis purposes significant adverse indirect impacts could result from the absence of the proposed Major Amendment. Since there is an approved Plan in place, the proposed Major Amendment would further the goals and objectives of the Plan, by increasing conservation within the Plan boundaries and facilitating planned roadway improvements for local and regional roadways within the City's jurisdiction. No feasible mitigation measures have been identified should the Preferred Alternative not be approved.

4.4.6 Levels of Significance after Mitigation

Proposed Action/Preferred Alternative

No significant adverse impacts on transportation, traffic, or circulation would result from the proposed Major Amendment for CEQA/NEPA analysis purposes.

Public Lands Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse impacts on transportation, traffic, or circulation would result from this Alternative for CEQA/NEPA analysis purposes and no mitigation is required. The Major Amendment would not result in any changes to that conclusion.

Core Habitat with Ecological Processes Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse impacts on transportation, traffic, or circulation would result from this Alternative for CEQA/NEPA analysis purposes and no mitigation is required.

Enhanced Conservation Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, this Alternative would result in significant impacts on transportation, traffic, or circulation for CEQA/NEPA analysis purposes. The impacts of this Alternative to local, regional, state and federal roadways cannot be effectively mitigated. The Major Amendment would not result in any changes to that conclusion.

No Action/No Project Alternative

As indicated in the approved Recirculated EIR/EIS prepared for the Plan, no significant adverse direct impacts on transportation, traffic, or circulation would result from this Alternative; however, for CEQA/NEPA analysis purposes, significant adverse indirect impacts could result due to rejecting the proposed Major Amendment. Since there is an approved Plan in place, the proposed Major Amendment would further the goals and objectives of the Plan, by increasing

conservation within the Plan boundaries and facilitating planned roadway improvements for local and regional roadways within the City's jurisdiction.

5.0 OTHER NEPA AND CEQA REQUIREMENTS

This chapter provides an analysis of environmental effects required under the California Environmental Quality Act (CEQA) that are not discussed elsewhere in this SEIR/SEIS. These topics include significant effects of the Proposed Project that cannot be avoided, commitment of nonrenewable resources, and effects found not to be significant. In addition, the National Environmental Policy Act (NEPA) requires a discussion of the relation between short-term uses of the environment and the maintenance and enhancement of long-term productivity, and any irreversible or irretrievable commitments of resources that would be involved in the project if it is implemented, per 40 CFR 1502.16. These topics are also discussed in this section. Similar to the NEPA requirement, CEQA also requires a discussion of significant irreversible changes caused by the project.

5.1 Significant Environmental Effects That Cannot Be Avoided if the Proposed Project is Implemented

Section 15126.2(a) of the CEQA Guidelines requires discussion of significant environmental effects of the proposed project. Potential environmental effects of the proposed project are discussed in Section 4.0 of this SEIR/SEIS. There will be no significant environmental effects that cannot be avoided if the Major Amendment is approved as it will result in additional conservation to mitigate these effects, and would not in itself increase or decrease the amount of development that would occur. The Major Amendment, consistent with the permitted CVMSHCP, would provide Take Authorization for Covered Activities provided such activities comply with required Avoidance/Minimization Measures and Land Use Adjacency Guidelines as specified in Sections 4.4 and 4.5 of the CVMSHCP. The required measures are designed to assure future development within and adjacent to established Conservation Areas would result in less than significant impacts to Covered Species, habitats, and important ecological processes. Therefore, potential impacts of the Major Amendment will be avoided or minimized to less than significant levels by requirements of the Plan.

Section 15126.2(b) of the CEQA Guidelines requires identification of any significant environmental effects that cannot be avoided if the proposed project is implemented, including those that can be mitigated but not reduced to a level below significant. NEPA also requires a discussion of "adverse environmental effects that cannot be avoided" (NEPA Regulations, 40 C.F.R. 1502.15), through project redesign, mitigation measures, or the selection of environmentally superior alternatives. As indicated above, the approved Plan incorporates Avoidance/Minimization Measures and Land Use Adjacency Guidelines that address development, improvement, and operation and maintenance of Covered Activities included as part of this Major Amendment. Implementation of these required measures will be made a

condition of project approval for all Covered Activities. Additionally, as discussed in Section 4.1.4 of this SEIR/SEIS, MSWD has agreed to certain monetary obligations to enhance and manage mesquite hummock habitat as well as provide data on water levels in those areas. These obligations, along with the required measures referenced above, will ensure the persistence of mesquite hummocks in the affected Conservation Areas of the Mission Creek Subbasin.

5.2 Significant Irreversible Environmental Changes That Would Be Caused By the Proposed Project Should It Be Implemented

Section 15126.2(c) of the CEQA Guidelines requires the evaluation of the uses of nonrenewable resources during the initial and continued phases of a project when a large commitment of such resources makes removal or non-removal or non-use thereafter unlikely. NEPA regulations also require an EIS analysis to include a discussion of the potential irreversible and irretrievable commitments of environmental resources as a consequence of the approval and implementation of the Proposed Project (40 CFR 1502.16).

The Proposed Project is a Major Amendment to the approved September 2007 CVMSHCP to add the City of Desert Hot Springs and the Mission Springs Water District as Permittees. The current Plan would be amended to include all of the private lands within the City limits of Desert Hot Springs and restore the original boundaries of the Upper Mission Creek/Big Morongo Canyon and Whitewater Canyon Conservation Areas within City limits. Covered Activities that include certain activities carried out or conducted by Permittees are also included in the Major Amendment as described in Section 2.0 of this SEIR/SEIS.

The proposed Major Amendment would not in itself increase or decrease the amount of development that is anticipated to occur, and thus does not directly result in development that would involve the irretrievable and irreversible use of land, water, and building materials. Development impacts would occur regardless of whether the CVMSHCP is amended to include Desert Hot Springs and MSWD. As Permittees of the Plan, both agencies will be required to conform to the Avoidance, Minimization, Mitigation Measures and Land Use Adjacency Guidelines outlined in Sections 4.4 and 4.5 of the Plan, in order to implement their Covered Activities. This would potentially result in fewer environmental impacts in the Conservation Areas within City and MSWD boundaries and is expected to result in more efficient land use patterns outside of Conservation Areas. Establishment of the original boundaries of Conservation Areas within City limits will further preserve sensitive species, their habitat, and other natural resources within the City boundaries. Development outside of Conservation Areas would occur as anticipated in the proposed City of Desert Hot Springs General Plan Update that is being prepared concurrently with this SEIR/SEIS. Development within those areas of the MSWD

boundaries outside of the City limits will occur as specified in either the Palm Springs or County of Riverside General Plans.

5.3 Growth Inducing Impacts

Section 15126.2(d) of the CEQA Guidelines requires a discussion of how the potential growth-inducing impacts of the Proposed Project could foster economic or population growth or the construction of additional housing, either directly or indirectly, in the surrounding environment. Induced growth is distinguished from the direct employment, population, or housing growth of a project. If a project has characteristics that "may encourage and facilitate other activities that could significantly affect the environment, either individually or cumulatively," then these aspects of the project must be discussed as well. Induced growth is any growth that exceeds planned growth and results from new development that would not have taken place in the absence of the Proposed Project. For example, a project could induce growth by lowering or removing barriers to growth or by creating or allowing a use such as an industrial facility that attracts new population or economic activity. CEQA Guidelines also indicate that the topic of growth should not be assumed to be either beneficial or detrimental (Section 15126.2[d]).

The proposed Major Amendment to include the City of Desert Hot Spring and MSWD as Permittees would not directly induce population growth in the CVMSHCP Area and would not displace any existing housing or persons that would necessitate the construction of replacement housing elsewhere. The Major Amendment would result in establishing Conservation Areas within the City and granting Permittee status to the City and MSWD. The City will be responsible for exercising land use authority to implement the CVMSHCP. Consequently, approval of the proposed Major Amendment would not result in significant growth-inducing impacts.

5.4 Effects Not Found To Be Significant

CEQA Guidelines Section 15128 requires an EIR to contain a statement briefly indicating the reasons why various possible significant effects of a project were determined not to be significant and were therefore not discussed in detail in the EIR. Such a statement may be contained in an attached Initial Study. An Initial Study Checklist/Notice of Preparation was prepared for the project and circulated for a 30-day public review period between March 30 and May 2, 2011. As indicated in that document (Appendix A), none of the CEQA environmental topics were expected to be potentially significant or to require mitigation beyond what is outlined in Section 4.4 of the Plan (avoidance, minimization, and mitigation requirements for Covered Activities within the Conservation Areas). However, in consideration of comments received during the NOP review period, MSWD has agreed to certain monetary obligations to enhance

and manage mesquite hummock habitat as well as provide data on water levels in those areas. Further details regarding the obligations that MSWD will commit to as a Permittee can be found in Section 4.1.4 of this SEIR/SEIS.

Although no aspect of the Major Amendment is expected to result in significant impacts, to comply with the Plan amendment requirements outlined in Section 6.12.4 of the Plan, the same environmental review and approval process that was conducted under the original MSHCP approval must be followed. Consequently, this SEIR/SEIS has been prepared to address changes to the September 2007 Final Recirculated Coachella Valley MSHCP EIR/EIS, which did not include Desert Hot Springs or MSWD as Permittees of the Plan. Those environmental topics that may be affected by the Major Amendment have been analyzed in Section 4.0 of this SEIR/SEIS. These topics include Biological Resources, Land Use and Planning, Socioeconomic Resources, and Transportation/Traffic. None of those topics were found to have significant impacts requiring mitigation beyond what is already provided in the CVMSHCP or being included for the City of Desert Hot Springs and Mission Springs Water District through this Major Amendment. The rationale for not including the remaining CEQA environmental checklist topics are briefly discussed below.

Aesthetics

The project would not result in any changes to scenic vistas as a result of the City of Desert Hot Springs and MSWD being added as Permittees of the CVMSHCP and would not result in damage to any scenic resources within the City or MSWD boundaries. Consistent with the analysis conducted in the 2007 recirculated EIR/EIS, approval of the Major Amendment would result in the conservation of additional areas within the Plan boundary, which would protect an array of scenic resources, thereby having a positive or beneficial impact on aesthetics.

Agricultural and Forestry Resources

According to the Riverside County Important Farmland 2006 map prepared by the California Department of Conservation, no prime, statewide important, unique, or local important farmlands are located in the City of Desert Hot Springs or within MSWD boundaries that would be affected by the Major Amendment. There are no lands zoned for agricultural use within the City or MSWD boundaries and therefore, no lands under a Williamson Act contract. Furthermore, there are no lands designated as forest or woodland within the Major Amendment area (California Department of Forestry and Fire Protection, 2003), and there are no lands identified as Timberland Production Zones in Riverside County (California Department of Forestry and Fire Protection, 2002). Consequently, the Major Amendment would have no impact on agricultural and forestry resources.

Air Quality

The proposed Major Amendment would not obstruct implementation of the regional Air Quality Management Plan (AQMP). Adding the City as a Permittee would result in the conservation of additional lands for conservation, which could otherwise be developed under the current land use designations and contribute a new source of air pollution emissions. Consequently, the Major Amendment would have an overall beneficial impact to local and regional air quality by reducing the amount of developable land within the Plan boundaries. Therefore, the Major Amendment would not result in any significant emissions, violate any applicable air quality standard, contribute to existing or future air quality violations, or result in a cumulatively considerable increase in any air quality criteria pollutants.

Cultural Resources and Native American Concerns

As indicated in the approved 2007 Final Recirculated EIR/EIS, cultural resources and Native American concerns have been represented in, and are integral to the composition of the CVMSHCP. Representatives of the three primary Native American tribes, with traditional use and Reservation lands in the Plan Area, were invited to participate in the CVMSHCP planning process. The proposed Major Amendment will reestablish Conservation Areas within the City that were originally included through consultation with the tribes during the 2007 Plan approval process. Similar to species preservation, the dedication of developable lands to conservation would generally enhance the conservation of cultural resources by limiting development that might otherwise impact the affected lands and any potential unknown archaeological resources. None of the CVMSHCP alternatives would have a significant adverse impact on cultural resources in the Plan Area for CEQA analysis purposes. Similar to the 2007 recirculated EIR/EIS, this SEIR/SEIS does not analyze the potential impacts of Covered Activities on cultural resources, nor does it supplant other requirements that Covered Activities might be subject to regarding environmental analysis, including cultural resource surveys, through their environmental review and approval process. Any required mitigation would be determined through that process. Therefore, while Covered Activities would be provided Take Authorization with approval of the proposed Major Amendment, they would remain subject to existing applicable regulations for the assessment of potential impacts to cultural and other environmental resources under CEQA's purview. As such, potential impacts to cultural resources due to implementation of the proposed Major Amendment would have a less than significant effect on cultural resources and Native American concerns.

Geology and Soils

The proposed Major Amendment does not promote or in any way allow development that would otherwise not be permitted in areas where geologic hazards occur. Existing General Plan, zoning ordinance, building code, and environmental review policies, standards, and requirements would remain in effect under the proposed Major Amendment to ensure that any future development or land use within Conservation Areas would address potential geologic hazards and unstable soil conditions and enforce relevant building codes and standards. Therefore, any potential impacts to geology and soils are considered less than significant.

Greenhouse Gas Emissions

Approval of the Major Amendment and establishment of Conservation Areas within the City of Desert Hot Springs and MSWD boundaries would serve to reduce the potential greenhouse gas (GHG) emissions that might otherwise occur through build-out of allowable land uses within the reestablished Conservation Areas under the City's existing General Plan. Therefore, adoption and implementation of the Major Amendment would not significantly effect GHG emissions.

Hazards and Hazardous Materials

The proposed Major Amendment would not directly involve the routine transport, use, or disposal of hazardous materials. Therefore, implementation of the Major Amendment would not result in any impacts related to such hazards. In addition, the Major Amendment would not result in the location of any building or structure on a site that is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, therefore, would not create a significant hazard to the public or the environment.

Hydrology and Water Quality

Approval of the proposed Major Amendment would not substantially alter any existing drainage pattern, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation on- or off-site, nor in a manner that would substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or off-site. The Major Amendment would result in adding conservation lands to the overall MSHCP reserve system. Since the Conservation Areas would have very limited development, approval of the Major Amendment is not expected to result in violations to water quality standards or waste discharge requirements.

Mineral Resources

Mineral extraction in the Coachella Valley is primarily limited to sand and gravel production. Establishment of the Conservation Areas within the Plan was coordinated to avoid active mining areas, and there are none present within the proposed Major Amendment areas; therefore, no impact to mineral resources would occur.

Noise

The proposed Major Amendment would result in setting aside additional land within the City of Desert Hot Springs for conservation; thereby limiting development in those areas compared with what otherwise may be developed under the existing General Plan and zoning designations. Therefore, no substantial noise increases would occur over what already has been anticipated prior to the Major Amendment. Any activities covered by the Major Amendment are subject to the same noise standards established in the City or County General Plan and Noise Ordinances. Those potential Covered Activities that may result in noise impacts will be subject to further environmental review at the time they are proposed and are not considered an impact of the Major Amendment. Therefore, no significant noise impacts would occur with implementation of the Major Amendment.

Public Services

The proposed Major Amendment in itself would not result in the need for new or expanded public facilities. The CVMSHCP provides Take Authorization for public facilities operated by Riverside County (fire protection), City of Desert Hot Springs (police), Palm Springs Unified School District (public schools), and the Community Development Department/City Parks Commission (public parks). The CVMSHCP provides the basis for the issuance of Take Authorization for emergency access and emergency response within the CVMSHCP Reserve System. The CVMSHCP also allows limited development in the Conservation Areas, so that new public facilities are not precluded in the Conservation Areas. However, it is anticipated that any new fire, police or school facilities could be provided in the more urbanized portions of the City without the need for expansion within the proposed Conservation Areas.

Recreation

The Major Amendment would not result in any substantial increase in the use of recreational facilities or require the construction or expansion of such facilities. The CVMSHCP provides guidelines for public access and recreation that would be implemented over time within the Conservation Areas including those portions of the Upper Mission Creek/Big Morongo Canyon

and Whitewater Canyon Conservation Areas that will be reestablished within City limits. The guidelines and the review and approval process for siting trails and other public access facilities in the CVMSHCP Reserve System are set forth in the Plan to provide for these future facilities and ensure that no significant impacts occur. The potential for expanded hiking, equestrian, and other passive recreation within the City is considered a benefit; therefore, no significant recreation impacts would occur with implementation of the Major Amendment.

Utilities and Service Systems

The Major Amendment, as with the entire Plan, would provide Take Authorization for activities that support the future development of public utilities and service systems, as long as such activities comply with applicable avoidance, minimization, and mitigation measures and associated land use adjacency guidelines. The Major Amendment would not result in new generation of wastewater or use of water supplies and would not require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities. Implementation of the Major Amendment would not require new or expanded drainage facilities but would allow Take of Covered Species and Natural Communities, if necessary, for planned drainage facilities as specified by the CVMSHCP.

6.0 CUMULATIVE IMPACTS

6.1 Introduction

Both NEPA and CEQA require the analysis of cumulative, direct, and indirect impacts that may be associated with a Proposed Action. An analysis of potential cumulative effects must examine the full range of impacting environmental consequences associated with the Proposed Action. The potential for cumulative impacts has been analyzed for each alternative in the approved September 2007 Recirculated EIR/EIS.

Background

Since CEQA is more specific than NEPA in regards to the robustness of the cumulative analysis, cumulative impacts have been analyzed in accordance with Section 15130 of the CEQA Guidelines, which require that an EIR include a discussion of the potential cumulative impacts. While the SEIR/SEIS focuses on the potentially significant direct impacts of the Major Amendment, cumulative impacts may be individually minor but collectively significant, taking place over a period of time. Cumulative impacts are defined as two or more individual effects that, when considered together, are considerable or that compound or increase other environmental impacts. The cumulative impact from several projects is the change in the environment that results from the incremental impact of the development when added to other closely related past, present, and reasonably foreseeable or probable future developments. Relevant portions of CEQA Section 15130 are cited below:

> (a) An EIR shall discuss cumulative impacts of a project when the project's incremental effect is cumulatively considerable, as defined in Section 15065(c). Where a lead agency is examining a project with an incremental effect that is not "cumulatively considerable," a lead agency need not consider that effect significant but shall briefly describe its basis for concluding that the incremental effect is not cumulatively considerable.
>
> (1) As defined in Section 15355, a cumulative impact consists of an impact that is created as a result of the combination of the project evaluated in the EIR together with other projects causing related impacts. An EIR should not discuss impacts that do not result in part from the project evaluated in the EIR.
>
> (2) When the combined cumulative impact associated with the project's incremental effect and the effects of other projects is not significant, the EIR shall briefly indicate why the cumulative

impact is not significant and is not discussed in further detail in the EIR. A lead agency shall identify facts and analysis supporting the lead agency's conclusion that the cumulative impact is less than significant.

(3) An EIR may determine that a project's contribution to a significant cumulative impact will be rendered less than cumulatively considerable and thus is not significant. A project's contribution is less than cumulatively considerable if the project is required to implement or fund its fair share of a mitigation measure or measures designed to alleviate the cumulative impact. The lead agency shall identify facts and analysis supporting its conclusion that the contribution will be rendered less than cumulatively considerable.

(b) The discussion of cumulative impacts shall reflect the severity of the impacts and their likelihood of occurrence, but the discussion need not provide as great detail as is provided for the effects attributable to the project alone. The discussion should be guided by the standards of practicality and reasonableness, and should focus on the other identified projects that contribute to cumulative impacts rather than the attributes of other projects that do not contribute to cumulative impacts. The following elements are necessary for an adequate discussion of significant cumulative impacts, including either:

(1) A list of past, present, and probable future projects producing related or cumulative impacts, including, if necessary, those projects outside the control of the agency, or

(2) A summary of projections contained in an adopted general plan or related planning document, or in a prior environmental document that has been adopted or certified, which described or evaluated regional or area-wide conditions contributing to the cumulative impact. Any such planning document shall be referenced and made available to the public at a location specified by the lead agency.

The adopted September 2007 EIR/EIS performed an assessment of the long-term land use impacts the implementation of the CVMSHCP would have within the Plan Area. CEQA Guidelines Section 15130 b(1) allows the use of a summary of land use projections set forth in adopted General Plans (and associated EIRs) and the buildout of these plans. Rates of growth

were assumed based upon recent trends in land conversion.

The intent in determining the significance of those cumulative impacts evaluated in the approved EIR/EIS was an assessment of the aggregated effects of past, present, and reasonably foreseeable future projects or actions, regardless of who undertakes them.

The Council on Environmental Quality's (CEQ) regulations for implementing the National Environmental Policy Act (NEPA) define cumulative impacts (40 CFR 1508.7):

> "Cumulative impact" is the impact on the environment which that results from the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions regardless of what agency (Federal or non-Federal) or person undertakes such other actions. Cumulative impacts can result from individually minor but collectively significant actions taking place over a period of time."

"Significantly" as used in NEPA requires considerations of both context and intensity. 40 CFR 1508.27(b) clarifies how considerations of intensity relate to cumulative impacts and includes the following:

> "Whether the action is related to other actions with individually insignificant but cumulatively significant impacts. Significance exists if it is reasonable to anticipate a cumulatively significant impact on the environment. Significance cannot be avoided by terming an action temporary or by breaking it down into small component parts."

A cumulative impacts analysis is largely qualitative in nature but builds upon an extensive quantitative analysis of land use patterns and designations, regulatory and environmental constraints and opportunities affecting development, and socio-economic trends. The potential cumulative impacts of the overall Plan have been evaluated to determine the degree to which they degrade a resource to unacceptable levels and the incremental contribution made by the CVMSHCP to the overall cumulative effect.

The cumulative impacts analysis described in the 2007 recirculated EIR/EIS provides sufficient analysis of the Plan as a whole and approval of the Major Amendment would not change the scope of that cumulative analysis. Since the state and federal permits were received in October 2008, an economic recession has resulted in very limited development within the proposed Major Amendment area. Projects that were considered reasonably foreseeable future projects in 2007 were impacted by the economic downturn and are no longer viable. Many of the parcels of land proposed for these projects within Conservation Areas have been purchased by CVCC and other partners. Therefore, no further cumulative impact analysis is considered in this SEIR/SEIS.

7.0 PROJECT ALTERNATIVES

7.1 Introduction

To fully evaluate proposed projects, both CEQA and NEPA require that alternatives be discussed. Section 15126.6 of the State CEQA Guidelines requires the discussion of "a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives." The alternatives discussion is intended to focus on alternatives to the project or its location that are capable of avoiding or substantially lessening any significant effects of the project, even if these alternatives would impede to some degree the attainment of the project objectives.

NEPA Guidelines (40 CFR 1502.14), require an EIS to present the environmental impacts of the Proposed Action and all reasonable alternatives in comparative form, defining the issues and providing a clear basis for choice by decision-makers and the public. NEPA generally requires that the analysis of alternatives occur at a substantially similar level of detail to that devoted to the proposed action. The approved September 2007 Recirculated EIR/EIS discusses a wide range of alternatives to the project that considered approving the Plan without the City of Desert Hot Springs or MSWD as Permittees. In addition to the Proposed Action/Preferred Alternative, alternatives evaluated included a Public Lands Alternative, Core Habitat with Ecological Processes Alternative, Enhanced Conservation Alternative and the No Action/No Project Alternative (see Summary of Alternatives below).

Since this document supplements the previous approved EIR/EIS for the CVMSHCP, those alternatives referenced above provide sufficient analysis of the Plan as a whole and no further alternatives other than an updated No Action/No Project Alternative are considered in this SEIR/SEIS. The reasons for not providing alternative locations for the project as well as the environmentally preferred alternative are discussed below.

7.2 Summary of Alternatives

Public Lands Alternative

Under this Alternative, substantial areas would be protected in the mountainous portions of the Plan Area. Because this Alternative entails no land acquisition, only Core Habitat, Essential Ecological Processes, and Biological Corridors and Linkages that happen to be on existing public conservation lands or private conservation lands would be protected. As a result, sand transport, watershed, and other ecological processes would not be protected, Biological Corridors and

Linkages would not be conserved, and Core Habitat areas would likely be fragmented in many instances. As indicated in the approved Recirculated EIR/EIS, this Alternative would not include a broad acquisition plan as part of the Plan requirements. Management of the existing reserves would be increased, so that Covered Species within these reserves would receive greater protection. Overall conservation lands would decrease under this Alternative and would thus result in a greater impact to Covered Species and natural communities. In addition, it was found to have potentially significant impacts to groundwater recharge. No feasible mitigation measures were identified. Adoption of the Major Amendment would not result in any changes to that conclusion.

Core Habitat with Ecological Processes Alternative

This Alternative would establish Conservation Areas intended to protect Core Habitat for the Covered Species and natural communities included in the Plan, Essential Ecological Processes necessary to sustain these habitats, and some Biological Corridors. The Conservation Areas include most of the Public Lands Alternative lands as well as the acquisition of additional private lands particularly in the mountains surrounding the Coachella Valley as necessary to: avoid habitat fragmentation of Core Habitat, protect Essential Ecological Processes, and maintain Biological Corridors. As indicated in the approved Recirculated EIR/EIS, this Alternative would result in less conservation than the Preferred Alternative, and thus would have greater impact on Covered Species and natural communities. No Feasible mitigation measures were identified. Adoption of the Major Amendment would not result in any changes to that conclusion.

Enhanced Conservation Alternative

This Alternative expands upon the Proposed Action/Preferred Alternative and includes the same Covered Activities as the Preferred Alternative. It would result in less Take than the Proposed Action/Preferred Alternative and additional Conservation Lands would be added. As indicated in the approved Recirculated EIR/EIS, this Alternative would not result in any significant impacts. However, it would result in highly fragmented Conservation Areas in some locations interspersed with urban land uses and major transportation links, undermining the effectiveness of Conservation in these areas. Adoption of the Major Amendment would not result in any changes to that conclusion.

7.3 Alternative Locations

In accordance with CEQA Guidelines Section 15126.6(f)(2), the project is required to consider alternative locations to the project. Per CEQA Guidelines Section 15126.6(f)(2)(A), the key question and first step in analysis of the offsite location is whether any of the significant effects of the project would be avoided or substantially lessened by placing the project in another location. However, since the proposed action consists of adding two jurisdictional entities as Permittees to the CVMSHCP, and re-establishing the same Conservation Areas within the City as originally prescribed in the 2006 version of the Plan, alternative locations would not meet the objectives of the Major Amendment. In addition, since this SEIR/SEIS has not identified any significant effects of implementing the proposed Major Amendment, there is no compelling cause to consider alternate locations. Consequently, offsite locations are considered infeasible and no offsite location alternatives were carried forward in this analysis.

7.4 No Action/ No Project Alternative

Under the approved EIR/EIS, it was determined this Alternative may result in significant adverse impacts to biological resources for CEQA analysis purposes due to the lack of protection for both Covered and non-Covered Species. Since there is now an approved Plan in place, the No Action/No Project Alternative for the proposed Major Amendment would mean that neither the City nor MSWD would become Permittees of the Plan. Similar to the conclusion in the approved EIR/EIS, the No Action/No Project Alternative under this scenario would mean that some areas of the City and the MSWD boundaries would not receive full protection for Covered and non-Covered Species as provided by the Plan. Therefore, significant adverse impacts to biological resources could occur under the No Action/No Project Alternative. The No Action/No Project Alternative would result in Desert Hot Springs and MSWD not being added as Permittees of the Plan and no Take Authorization would be issued for their proposed Covered Activities. The City and MSWD would not be responsible for ensuring the implementation of the CVMSHCP, including acquisition, monitoring and management within their jurisdictions. The City and MSWD would be responsible for obtaining their own permits through the USFWS and CDFW for any project approvals that may affect sensitive species or core habitat areas. This Alternative would not serve to enhance and maintain biological diversity and ecosystem processes while allowing future economic growth in the planning area.

7.5 NEPA/CEQA Environmentally Preferred/Superior Alternative

After the environmental analysis is completed, NEPA requires that in addition to the agency's Preferred Alternative, the *environmentally preferable* alternative be identified. According to

Section 1505.2(b) of Title 40, U.S. Code of Federal Regulations, in cases where an EIS has been prepared, the Record of Decision (ROD) must identify all alternatives that were considered, ". . . specifying the alternative or alternatives which were considered to be environmentally preferable." The environmentally preferable alternative is the alternative that will promote the national environmental policy as expressed in NEPA's Section 101. Ordinarily, this means the alternative that causes the least damage to the biological and physical environment; it also means the alternative that best protects, preserves, and enhances historic, cultural, and natural resources. It is assumed the Proposed Action/Preferred Alternative would be chosen as the Environmentally Preferred Alternative as this was the only alternative analyzed for further consideration other than the No Action/No Project Alternative that was found to have potentially significant impacts. However, the ROD will identify all the alternatives analyzed in this SEIR/SEIS and specify the Environmentally Preferred Alternative.

Pursuant to CEQA Guidelines, Section 15126.6(e)(2), CEQA requires that an environmentally superior alternative, other than the No Action/No Project Alternative, be identified in an EIR, after comparing the potentially significant impacts of each alternative as compared to the Proposed Project.

The alternative that causes the least damage to biological resources and physical environment and best preserves natural resources is the Proposed Action/Preferred Alternative. The addition of the City and MSWD as Permittees of the Plan provides a more comprehensive and cohesive Plan that would provide beneficial impacts for the Covered Species and natural communities protected within the Plan Area. The Plan also incorporates required avoidance, minimization and mitigation measures; land use adjacency guidelines; and a comprehensive Monitoring and Management Program designed to mitigate potential adverse effects to the greatest extent practicable. Therefore, the Proposed Action/Preferred Alternative is considered the environmentally superior alternative under CEQA.

8.0 LIST OF REFERENCES AND APPENDICES

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APPENDICES

I. Fiscal Impact Analysis for the Inclusion of the City of Desert Hot Springs In the Coachella Valley Multiple Species Habitat Conservation Plan, prepared by Terra Nova Planning & Research, Inc., July 2011.

Fiscal Impact Analysis

for the
Inclusion of the City of Desert Hot Springs

In the

Coachella Valley
Multiple Species Habitat Conservation Plan

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Fiscal Impact Analysis for the City of Desert Hot Springs' Inclusion in the Coachella Valley Multiple Species Habitat Conservation Plan

I. INTRODUCTION

This Fiscal Impact Analysis has been prepared in response to the proposed addition of the City of Desert Hot Springs to the Coachella Valley Multiple Species Habitat Conservation Plan program. In 2003, a Fiscal Impact Analysis was prepared to analyze the potential costs and revenues which could be lost by each jurisdiction participating in the Plan. The City of Desert Hot Springs was included in that analysis, but withdrew from the Plan prior to its completion. The Plan was subsequently adopted by CVAG and the cities of Palm Springs, Cathedral City, Rancho Mirage, Palm Desert, Indian Wells, La Quinta, Indio and Coachella, and the County of Riverside. Federal and State permitting was completed in 2008, and the Plan has been implemented since that time. The City of Desert Hot Springs requested a Major Amendment be prepared to add lands within its corporate boundaries, triggering a need for an update of the Fiscal Impact Analysis specific to that City. The amendment will also add Mission Springs Water District to the MSHCP. As the City was included in the original analysis, and in order to maintain consistency, this report, and the analysis associated with it, have been completed as an update of the original document. The Fiscal Impact Model is consistent with the original model, but all land use data, cost factors, property values and other assumptions have been updated to reflect 2011 dollars.

The Coachella Valley Association of Governments (CVAG) provided an analysis of the lands proposed for conservation in the City. As a result of an annexation undertaken by the City in 2010, which extended its boundaries to the Interstate 10 freeway, lands previously under the jurisdiction of the County of Riverside are now within the City limits. The City agreed, as part of the annexation, to enforce the provisions of the MSHCP on those lands within the annexation area which are to be conserved. The analysis provided by CVAG included data on the land use designations applicable to these lands, and whether the land was vacant or developed.

As lands within the City are currently available for urban development, in a manner consistent with the City's General Plan, development on these lands would be expected to potentially result in both revenues for the City, in the form of increased property tax, sales tax, motor vehicle license fees, special assessments, and other revenues. Development would also generate additional costs associated with the provision of public services and facilities. As implementation

of the MSHCP would result in the conversion of these lands to conservation, revenues associated with future development would be lost. The conversion of vacant, potentially developable land to open space and conservation uses could have fiscal impacts on the City. The purpose of this updated Fiscal Impact Analysis is to determine what the costs and revenues could be if these lands were to develop.

The Plan does allow very limited development of conservation lands under certain circumstances. However, in order to reflect the most conservative analysis in this report, it has been assumed that no development, and therefore no revenue, would be generated on any lands in a conservation area. Some development already exists in the conservation areas proposed in the City. This development is generating revenue and costs, and no change would be expected as a result of the implementation of the Plan, particularly since most of the development consists of energy-related development (wind farms). The existing developed lands are therefore not considered in this report, as they would be revenue and cost neutral for the City.

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II. ASSUMPTIONS

The purpose of the fiscal analysis is to estimate the direct public costs and revenues that would result if vacant lands identified for conservation by the MSHCP were instead allowed to develop consistent with the current General Plan land use designation. With annexation of the lands described above, the City agreed to maintain the land use designations consistent with those applicable under the County prior to annexation. The development potential has been analyzed based on those densities for those lands. If the vacant acreage identified in the MSHCP is conserved, and development does not occur on these lands, potential revenues identified in this fiscal analysis will be lost. Conversely, if these lands are conserved, they will also not generate any costs to the City, as maintenance, public safety and other responsibilities will be eliminated.

Density Assumptions

Consistent with the previously prepared Fiscal Impact Analysis, this report assumes that residential development will occur at a rate of 75% of the maximum density permitted. For example, if 100 acres of Low Density Residential land are available for development, and the maximum density permitted is 4 dwelling units per acre, a maximum of 400 units could potentially be developed. However, to provide a more realistic analysis of development in the City (and region), this report assumes that only 300 units (75% of the maximum permitted) would be developed.

Also consistent with the previous analysis, this report assumes that at buildout, industrial development will result in 34% building coverage (14,810.4 square feet of building space per acre). These estimates were developed on the basis of standard single-story development typical of the Coachella Valley.[1] These assumptions are also consistent with the City's floor area ratio (FAR) limitations, and the realities of development for industrial projects, which require large areas of parking and/or loading in addition to the building coverage generated.

[1] "Project Reference File," Urban Land Institute, 1991.

Construction Cost Assumptions

As recommended by the Riverside County "Guide to Preparing Fiscal Impact Reports," the model assumes all properties are taxed at a rate of 1% of valuation, and the collection rate is 100%. All property values are stated in year 2011 dollars. The value of new residential units is based on the 2nd quarter, 2010 median new home price provided for the City in the "Inland Empire Quarterly Economic Report." The value of new industrial development is assumed to be $60 per square foot, which represents standard industrial development in the Coachella Valley.

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III. FORMAT

All analyses conducted in this report follow the format recommended in the "Riverside County Guide to Preparing Fiscal Impact Reports," which is widely used in the Coachella Valley when jurisdictions prepare annexation applications. The costs and revenues evaluated in the fiscal analysis represent major cost and revenue sources identified in the City's Fiscal Year 2010-2011 Budget. Major General Fund revenue sources associated with the development of land and/or associated population increases include property tax, property transfer tax, sales tax, transient occupancy tax, and motor vehicle in-lieu revenues. Other taxes and fees levied on a city-wide basis, such as Utility Users and Public Safety Taxes, are also included in the analysis. Restricted revenue sources (also known as Special or Non-General Fund revenues), including TUMF fees, highway user gas taxes, Measure A, and special assessment districts are also included where applicable. For this report, it has been assumed that all properties, were they to develop, would be annexed to the City's existing Community Facilities District.

The analysis also evaluates the potential costs of providing general government services, public safety services, and roadway maintenance to future development that could occur on lands being proposed for conservation if the City becomes a permittee under the MSHCP.

The fiscal analysis does not include projections of application processing or permitting fees, such as development review fees, developer impact fees or building permit fees. These fees are largely based on project-specific development criteria that will not be determined until actual development projects are proposed and cannot be adequately estimated at this time. In addition, the following revenue sources are not evaluated: revenues not directly associated with the development of land, inter-governmental grants, capital improvement funds, and geographically limited assessments that are not levied on a city-wide basis. All projected costs and revenues are stated in Year 2011 dollars.

The MSHCP is a long-range plan that is permitted to be in effect for 75 years; conservation lands are to be preserved in their natural condition in perpetuity. For analysis purposes, the buildout of the lands proposed for conservation has been assumed to occur in a 20-year period, divided into

four five-year buildout phases. It is assumed that future development will be evenly distributed over the four buildout phases, and that buildout will occur at the end of this period. This approach allows for an incremental analysis of potential fiscal impacts. Cost/revenue projections are cumulative and include the costs/revenues incurred during all previous phases.

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IV. METHODOLOGY

As with the original Fiscal Impact Analysis, this report utilizes two methodologies recommended by the Riverside County "Guide to Preparing Fiscal Impact Reports": the Case Study Method and the Multiplier Method.[2] The Case Study Method is used to calculate the following revenue sources: property tax, property transfer tax, sales tax, transient occupancy tax, TUMF fees, and Measure A revenues. Each of these revenue sources is based on a unique series of mathematical computations and assumptions, which are discussed in more detail below. Other revenues and costs are projected using the Multiplier Method, which is based on a per unit or per capita cost or revenue factor.

A. Potential City Revenues

1. Property Tax Revenue

The County of Riverside collects property taxes for lands in the City of Desert Hot Springs annually at a rate of 1% of assessed valuation. Property tax revenues are allocated between Riverside County, the City, and a variety of other public agencies. It is important to note that Riverside County not only receives property tax revenue from unincorporated lands under its jurisdiction, but also receives a portion of property tax revenue generated in incorporated cities. For Desert Hot Springs, the City receives 16.6% of the 1% collected, and the County 23.1%. Other agencies receive the balance of 60.3%. This allocation has not changed since the preparation of the original Fiscal Impact Analysis.

Approximately 6,448 acres currently designated for urban uses in the City's General Plan are proposed for conservation within City limits. Of this total, 6,233 acres are vacant, and 2,993 acres are designated for Open Space. Open Space lands are assumed to remain undeveloped, and therefore are not studied in this report. When Open Space lands are deducted, a net remaining 3,240 acres of land could be developed in areas proposed for conservation in the MSHCP. To provide the most conservative analysis, the fiscal model assumes that implementation of the

[2] "County of Riverside Guide to Preparing Fiscal Impact Reports," prepared by County Administrative Office, January 1995.

MSHCP will prohibit any development from occurring on these lands. The MSHCP does allow for some development within conservation areas. Therefore, the analysis contained in this document is considered conservative. The development potential of these lands and any property tax revenue increases generated by future development is assumed to be "lost."

To determine potential property tax revenue losses associated with implementation of the MSHCP in the City, the fiscal model projects potential property tax revenues that would be generated if vacant lands being proposed for conservation were allowed to develop in the future. Potential property tax revenues are estimated for lands currently designated for residential and industrial land uses. The fiscal model assumes that these parcels will develop at the densities described in the General Plan, less the reductions described in Section II of this document. Potential property tax revenues generated by future development on these lands will be "lost" if they are placed into conservation under the MSHCP. The fiscal model calculates potential revenue losses for the City, as well as Riverside County, which retains a portion of property tax generated within each city.

2. Property Transfer Tax Revenue

Property transfer tax revenues will also be "lost" if developable lands are converted to conservation. The Property Transfer Tax is levied by Riverside County upon a change of ownership of property. The tax rate is $1.10 per $1,000 (or 0.11%) of the unencumbered property value.[3] Riverside County collects Property Transfer Taxes on all changes in ownership that occur within its boundaries, including those located in incorporated cities. If the transfer occurs within the City, the revenue is divided evenly between the County (50%) and the City (50%).[4] Upon implementation of the MSHCP, therefore, both Riverside County and the City will lose potential revenue from lands placed into conservation.

For analysis purposes, estimated Property Transfer Tax revenues are calculated according to the instructions provided in the Riverside County "Guide to Preparing Fiscal Impact Reports." Upon the sale of a new unit, 100% of the unit's market value is subject to the property transfer tax. Upon change of ownership of an existing unit, the unencumbered value (average 80%) of the property is subject to the property transfer tax. Change in ownership is assumed to begin in the fourth year of the first phase, and 10% of existing residential properties are assumed to change ownership per year. Property values are stated in year 2011 dollars, and the same property values used in the property tax revenue evaluation, above, are used in this analysis. A resale rate of 1% is assumed for multi-family and industrial development. For new industrial buildings, it is assumed that only 10% of the property value will change ownership after the structure is built.

3. Sales and Use Tax Revenue

If potentially developable land in the MSHCP planning area is converted to conservation, its ability to generate taxable sales and sales tax revenue will be lost. Sales tax in Riverside County is collected at a rate of 8.75% by the state of California. The table below describes how sales tax revenues are allocated among public agencies. The City receives 1% of the 8.75% for its General

[3] Alicia Gonzales, Riverside County Recorder's Office, personal communication, January 21, 2011.
[4] Ibid.

Fund, and 0.5% is allocated to Measure A, for purposes of regional roadway projects (see discussion below).

The fiscal model projects sales tax revenues for proposed conservation lands that are currently designated for residential development. Taxable sales from industrial development in the Coachella Valley are generally very limited, and the fiscal model assumes that no taxable sales are generated by industrial development.

For vacant residential lands being proposed for conservation, estimates of potential sales tax revenues are based on the discretionary income of future residents. As described in the Riverside County "Guide to Preparing Fiscal Impact Reports," discretionary income calculations are based on the assumption that total monthly housing costs are equal to 30% of household income, and 19% of net household income is available for spending on taxable goods. Monthly housing costs for single-family homes are based on the 2010 median new housing value provided in the "Inland Empire Quarterly Economic Report." This analysis assumes conventional financing with a 30-year fixed rate mortgage. An average mortgage lending rate of 5.06% has been used. When applicable, monthly housing costs for multi-family development are based on the average rental rate for a one or two-bedroom apartments or duplexes in early 2011.

Residents do not typically spend their entire expendable incomes within the boundaries of their own city, and often travel to other jurisdictions to shop. When this "retail leakage" occurs, the home city "loses" its sales tax revenue to another jurisdiction. The fiscal impact model assumes that 70% of expendable income is spent in Desert Hot Springs, and 30% is spent elsewhere. Therefore, the City derives sales tax revenue from only 70% of the resident's expendable income.

4. Transient Occupancy Tax (TOT) Revenue

Only one land use designation in the Desert Hot Springs General Plan would allow the construction of a hotel or motel, which could then generate Transient Occupancy Tax. The location of the Estate Residential lands and the minimum acreage of 10 acres make it unlikely that a hotel could develop on these lands. As a result, no Transient Occupancy tax revenues have been assumed for this report. This represents a reduction from the previous analysis, where Community Commercial lands were assumed to generate a single hotel.

5. Motor Vehicle In-Lieu Revenue

Motor Vehicle In-Lieu Fees (also referred to as Motor Vehicle License Fees) are imposed on motorists in-lieu of a local property tax. These revenues are collected by the State of California, and a portion of the total revenue is allocated to each local jurisdiction on a monthly basis. Estimated apportionments payable to California cities and counties have been converted to annual per capita factors. For Fiscal Year 2010, the City was expected to receive $2.94 per capita.[5]

[5] "State of California, Fiscal Year 2009-2010," prepared by State Controller's Office.

6. TUMF Fees

Riverside County Ordinance 673 established a fee mitigation program for funding the engineering, construction, and purchase of right-of-way and other transportation improvements in the Coachella Valley. The program is better known as the Transportation Uniform Mitigation Fee (TUMF), and its mitigation fee is paid by developers of new projects prior to the issuance of building permits. Fee amounts are based on the trips generated by the land use, gross square footage of the new building, number of units, number of rooms, or number of parking spaces. Mitigation fees are collected by Riverside County and disbursed to the Coachella Valley Association of Governments (CVAG), which is responsible for the management and utilization of funds for regional transportation improvement projects. TUMF revenues are a one-time, non-recurrent payment, and do not represent an ongoing revenue source. It can also be argued that if the lands proposed for conservation do not develop, they will also not generate any vehicle trips, and will therefore not impact roadway capacity. In order to provide an accurate representation of potential revenue losses associated with implementation of the MSHCP, however, this report projects potential TUMF revenues that could be lost to conservation.

On the cost/revenue summary sheet for each jurisdiction that participates in the TUMF program (provided at the back of this document), TUMF fees collected are listed as a revenue source in the Restricted Fund Revenue section. However, because all TUMF fees are allocated to CVAG for regional transportation improvements, and none are retained by the jurisdiction in which they were collected, the TUMF fees are also identified as a cost in the Restricted Fund Costs section. The direct fiscal impacts of MSHCP implementation on the City, therefore, will be zero.

7. Highway User Gas Tax Revenue

Portions of the tax levied per gallon by the State of California on all gasoline purchases are allocated to counties and cities throughout the state. The anticipated per capita apportionment factors for Fiscal Year 2009-2010 for the City was $16.15.

If vacant residential lands are allowed to develop as currently designated, new dwelling units would be constructed, and new residents would move in. The City would receive gas tax revenues, on a per capita basis, for each new resident. Implementation of the MSHCP, however, will remove the development potential from these residential lands, and gas tax revenues will be lost.

8. Measure A Revenue

Of the 8.75% sales tax collected in Riverside County, 0.50% (or .005 cent on the dollar) is contributed to the Measure A fund. Measure A revenues are managed and disbursed by the Riverside County Transportation Commission (RCTC). Of all the Measure A revenues allocated to the Coachella Valley region, 65% is specifically designated for regional transportation projects, including highway and arterial improvements and public transit programs. The remaining 35% is allocated to local jurisdictions, based on a formula that accounts for the jurisdiction's population and total taxable sales. Measure A revenues are restricted for use in funding local street maintenance, traffic signal installation, and related improvements.

The fiscal model estimates potential Measure A losses by estimating anticipated sales tax revenues, using the same methodology used to project local sales tax revenues. It then extracts the 0.50% designated for Measure A. It further reduces this amount to reflect only that portion (26.9%) which is allocated to the Coachella Valley region. Of the 26.9% allocated to the region, only 35% is allocated to local jurisdictions via the Streets/Roads program. Desert Hot Springs receives 2.9% of the local allocation.

9. County Service Area (CSA)152 Revenue

County Service Area 152 supports the National Pollution Discharge Elimination System (NPDES), a program that implements the federal Clean Water Act of 1990. The program requires the adoption and implementation of storm water management plans, which reduce the discharge of pollutants from storm water systems into waters of the United States. Desert Hot Springs participates in the CSA.

Under CSA 152, an annual assessment is levied on both developed and undeveloped lands. The amount assessed is based on a system of Benefit Assessment Units (BAUs). Each parcel is assigned a specific number of BAUs, based on land use, as shown in the table below.

Table IV-1
County Service Area 152
Benefit Assessment Unit (BAU) Factors

Land Use	BAU Assignment
Single-Family Residential	1 BAU/dwelling unit
Multi-Family Residential	9 BAU/developed acre
Commercial/Industrial	12 BAU/developed acre
Golf Course/Private Park	0.10 BAU/developed acre
Parcels w/miscellaneous structures	0.05 BUA/developed acre
Agriculture, Dairies, Vacant and Undeveloped Parcels	0 BAU/acre

Each city has established its own BAU dollar value. To calculate the assessment for a particular property, the fiscal model multiplies the number of dwelling units or developed acres, by the number of BAUs assigned to the property, and the city's established BAU dollar rate. The BAU rates for Desert Hot Springs is $1.56.

10. Other City Specific Revenues

In addition to those revenue sources applicable throughout the MSHCP area, Desert Hot Springs receives revenues from three additional sources: The Public Safety Tax, the Utility Users Tax, and Community Facilities District 2010-01 (CFD). For purposes of this analysis, it has been assumed that both the Public Safety Tax and the Utility Users Tax will be maintained through the 20 year buildout period. These taxes do have sunsets, but have been renewed by the voters, and would be expected to be renewed again. The CFD has been assumed to be the vehicle which would replace the Landscaping and Lighting Districts previously used by the City. It has further been assumed that all future development on the lands proposed for conservation would be annexed to the CFD. Although the CFD includes a range of potential rates, this report assumes a cost of $400 per unit for maintenance costs, which would appear typical of a residential parcel.

Single family residential units are assessed one Benefit Unit (BU) per unit; apartments are assessed 0.60 BU per unit, and industrial development is assessed 2 BU per acre.

11. Investment Income

If municipal revenues are "lost" to conservation, any investment income that could be generated by these revenues will also be lost. In order to project potential investment earnings on new revenues, the fiscal model applies the historical average interest rate of the 90-Day Treasury Bill, an average interest rate of 5.03%, which is the standard prescribed in the Riverside County "Guide to Preparing Fiscal Impact Reports".

B. Potential City Costs

If lands being proposed for conservation are instead allowed to develop, they will also generate costs to the City for general government services, public safety, and roadway maintenance.

Costs of General Government
General government costs represent the costs of providing a city's employee salaries and benefits, postage, printing, travel, equipment maintenance and repairs, contract services, computers, vehicles and other items necessary for the day-to-day functioning of city government. These items are typically funded through the General Fund. The fiscal model translates total General Fund expenditures (minus expenditures for public safety and roadway maintenance, which are calculated separately and discussed below) into a per capita factor, and applies that amount to the anticipated buildout population. The result is the estimated cost of providing general government services to future residents. As there are considerable economies of scale associated with providing general services, this analysis method, although consistent with the Guide, is extremely conservative, and overstates the likely costs to the City.

Costs of Public Safety Services
Public safety is defined for purposes of this analysis as police, fire and ambulance services, as well as Code Compliance and Animal Control activities, which are conducted under this budget category as well. The costs of providing public safety services are calculated in the same manner as general government costs. The fiscal model translates these expenditures into a per capita factor and applies this factor to the anticipated buildout population.

Costs of Roadway Maintenance
The costs associated with repairing and maintaining future paved public roads are calculated using a per road mile cost factor. The fiscal model first determines the existing number of paved road miles per square mile of land area in the City. The model then identifies the number of square miles of land area designated for conservation and projects the number of potential paved road miles that could be constructed in the conservation area. The model then divides the City's total annual roadway maintenance costs by the number of paved road miles to determine an annual per road mile cost factor. Finally, the annual per road mile cost is applied to the number of potential paved road miles in the conservation area for that jurisdiction. For purposes of this analysis, it is assumed that new road development would occur as development would occur, and would be at the developers' expense. No cost would therefore result for the City.

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V. CITY OF DESERT HOT SPRINGS

A. Land Use in Areas Proposed for Conservation

This chapter discusses potential revenues that the City of Desert Hot Springs would be expected to receive if all currently vacant lands within conservation areas within the City were allowed to develop for urban uses according to their land use designations. Within Desert Hot Springs, a total of 6,233± acres are currently vacant and undeveloped in the proposed conservation areas. Of these, 2,933± acres are designated as Open Space. This analysis assumes that Open Space lands would remain undeveloped, and do not have potential to generate revenues associated with development. Therefore, lands designated as Open Space are not analyzed in this fiscal analysis.

The remaining 3,240± acres are designated for residential and industrial uses in the City's General Plan, as shown in Table V-1, and are the subject of the cost/revenue analyses that follow.

Table V-1
Desert Hot Springs
Summary of Potentially Developable Vacant Lands[1]

Land Use	Description	Acreage	Units	Potential Total Units or SF at Buildout[2]
RD	Rural Desert (0-1 du//10 ac	936	DU	72
R-E-10	Residential Estates (0-1 du/10ac)	233	DU	16
RR	Rural Residential (0-1 du/5ac)	465	DU	68
R-L	Low Density Residential (0-5 du/ac)	259	DU	972
R-L/SP	Low Density Residential, Specific Plan (0-5 du)	1,167	DU	4,376
	Single-Family Residential Subtotals	**3,060**	**DU**	**5,504**
R-M	Medium Density Residential (0-8 du/ac)	16	DU	96
R-H	High Density Residential (0-14 du/ac)	47	DU	492
	Multi-Family Residential Subtotals	**63**	**DU**	**588**
	RESIDENTIAL SUBTOTALS[2]	**3,123**	**DU**	**6,092**
LI	Light Industrial	89	SF	1,318,124
I-L	Light Industrial	28	SF	414,692
	INDUSTRIAL SUBTOTALS	**117**	**SF**	**1,732,816**
	TOTAL	**3,240**		

Source: Coachella Valley Association of Governments, December 10, 2010.
[1]Does not include lands designated for Open Space
[2]For residential development, assumes 75 percent of total du possible at maximum permitted density
[3]For industrial development, assumes 34 percent lot coverage at buildout.

As shown in the table, development of lands designated for residential uses would result in construction of 6,092 single and multi-family dwelling units at buildout. In Desert Hot Springs, the average household size is 2.88 persons, as described by the California Department of Finance.[6] Based on these data, and the previously stated assumption that 100% of these units would be occupied, the buildout population of the subject lands would be 17,545.

B. Property Tax Revenue

As recommended by the Riverside County "Guide to Preparing Fiscal Impact Reports," the model assumes all properties are taxed at a rate of 1 percent of valuation, and the collection rate is 100 percent. All property values are stated in year 2011 dollars. The value of new single-family residential units is based on the 2nd quarter 2010 median new home prices provided in the "Inland Empire Quarterly Economic Report." As shown in that report, the median new home value for Desert Hot Springs is $207,000. The median value of new multi-family residences is assumed to be $98,490 per unit, which represents standard valuation of new multi-family residential development in Desert Hot Springs between July 2008 and March 2010.[7] The value of new industrial development is assumed to be $60 per square foot.[8]

6 Table 2: E-5 City/County Population and Housing Estimates, 1/1/2010, California Department of Finance.
7 Permit Data July 2008 thru March 2010, provided by Martin Magana, City of Desert Hot Springs.
8 As reported in Fiscal Analysis for Annexation 29 into the City of Desert Hot Springs, prepared by Roger Rostvold, Real Property Consultant, January 2011.

Desert Hot Springs, receives 16.6% of the 1% allocation collected by the County.[9] This allocation rate has been used in the fiscal analysis to estimate potential property tax revenues that could be generated on proposed conservation lands within Desert Hot Springs. 23.1% of the 1% allocation goes to the Riverside County General Fund, and 60.3% goes to other agencies.

Based on the development assumptions previously discussed, projected City property tax revenues have been estimated for the 20-year project buildout period.

Potential Property Tax Revenues from Residential Development

There are approximately 3,123 developable acres within Desert Hot Springs designated for residential uses. Of these, 3,060± are designated for single-family development, with densities ranging from 1 dwelling unit per 10 acres to 5 dwelling units per acre. The remaining 63± acres are designated for medium and high density, multi-family development (maximum 14 dwelling units per acre).

Based on a median home price of $207,000 for single-family homes, and $98,490 for multi-family residential development, potential annual property tax revenues to the City from residential development would be $1,987,418 at buildout. Table V-2, below, summarizes potential annual property tax revenues for residential development for each of the four buildout phases.

Potential Property Tax Revenues from Industrial Development

There are approximately 117± acres within Desert Hot Springs with developable potential for Industrial uses. Potential property tax revenues to the City from all developable industrial lands in Desert Hot Springs total $172,588 annually. Potential annual property tax revenues for all four buildout phases from potentially developable industrial lands in Desert Hot Springs are summarized in Table V-2.

Summary

Potential annual residential and industrial property tax revenues from vacant developable lands in Desert Hot Springs are summarized in the following table:

Table V-2
Desert Hot Springs
Property Tax Revenue Summary Table

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total property tax revenue from residential development	$496,855	$993,709	$1,490,564	$1,987,418
Total property tax revenue from industrial development	$43,147	$86,295	$129,441	$172,588
Total property tax revenue from all development	**$540,002**	**$1,080,004**	**$1,620,005**	**$2,160,006**

[9] Personal communication with Justina Loeun, Riverside County Auditor-Controller's Office.

As Table V-2 shows, it is estimated that Desert Hot Springs would lose a total of $2,160,006 over the next 20 years in property tax revenues if the vacant lands currently designated for urban uses are conserved.

C. Property Transfer Tax Revenue

The Property Transfer Tax is levied by Riverside County upon a change of ownership, at a rate of $1.10 per $1,000 (or 0.11 percent) of the unencumbered property value.[10] Riverside County collects Property Transfer Taxes on all changes in ownership that occur within its boundaries, including those located in incorporated cities. For transfers within an incorporated city, the revenue is divided evenly between the County (50 percent) and the city (50 percent) in which the property is located.[11] Assumptions for estimated Property Transfer Tax revenues are calculated according to the instructions provided in the Riverside County "Guide to Preparing Fiscal Impact Reports."

In Desert Hot Springs, potential annual property transfer tax revenues have been calculated for approximately 3,240 acres of lands with potential for urban development. These include residential and industrial uses, discussed categorically below.

Potential Revenues from Residential Property Transfer Tax
In Desert Hot Springs, 3,123± acres of developable land are designated for residential development. Based on buildout of these lands at 75 percent of maximum allowable densities, 6,092 new residential units would be constructed. Residential development on these lands would generate $355,544 annually in property transfer tax to the City at buildout.

Potential Revenues from Industrial Property Transfer Tax
For the 117± acres of potentially developable lands designated for industrial use in Desert Hot Springs, and based on the transfer rate assumptions, annual property transfer tax revenues resulting from development of these lands for industrial use would be $16,012 at buildout.

Summary
Table V-3, below, summarizes potential annual property transfer tax revenues to the City, which would be lost if these lands are placed in conservation.

[10] Personal communication, Alicia Gonzales, Riverside County Clerk and Recorder's Office, Jan 21, 2011.
[11] Ibid.

Table V-3 Desert Hot Springs Property Transfer Tax Revenue Summary				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total tax revenue from residential development	$172,301	$236,855	$292,053	$355,544
Total tax revenue from industrial development	$14,365	$14,874	$15,440	$16,012
Total property transfer tax revenue from all development	$186,666	$251,729	$307,493	$371,556

D. Sales and Use Tax Revenue

Sales tax in Riverside County is collected at a rate of 8.75% by the State of California. Of that 8.75%, the State retains 7.25%. Local jurisdictions, including the City of Desert Hot Springs, receive 1.0% of the sales tax for sales that occur within that jurisdiction. 0.25% is allocated towards County transportation funds, 0.75% goes to city and county operations. The remaining 0.50% is allocated to the County for Measure A funds. Measure A fund revenues are discussed separately below.

For vacant residential lands being proposed for conservation, estimates of potential sales tax revenues are based on the discretionary income of future residents. Assumptions for determining discretionary income of future residents, including monthly single and multi-family housing costs, are discussed in Chapter IV.

Potential Sales Tax Revenues from Residential Development

Of the 3,123± developable acres in Desert Hot designated for residential development, approximately 3,076 acres would be developed for single-family residential dwellings, with densities ranging from one dwelling unit per 10 acres to 5 dwelling units per acre. Residential development in Desert Hot Springs would yield annual sales tax revenues to the City of $445,532 at buildout.

Summary

The following table summarizes potential annual sales tax revenues for residential development, which would be lost if the potentially developable lands are placed in conservation.

Table V-4 Desert Hot Springs Sales Tax Revenue Summary				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total sales tax revenue from single-family residential development	$106,358	$212,715	$319,073	$425,430
Total sales tax revenue from multi-family residential development	$5,025	$10,051	$15,076	$20,102
Total sales tax revenue from all development	**$111,383**	**$222,766**	**$334,149**	**$445,532**

E. Motor Vehicle In-Lieu Revenue

Motor Vehicle In-Lieu Fees (also referred to as Motor Vehicle License Fees) are imposed on motorists in-lieu of a local property tax. These revenues are collected by the State of California, and a portion of the total revenue is allocated to each local jurisdiction on a monthly basis. Estimated apportionments payable to California cities and counties have been converted to annual per capita factors. For Fiscal Year 2009-2010, Desert Hot Springs was expected to receive $2.94 per capita.[12]

Approximately 3,123 acres of vacant land are currently designated for residential development and would be conserved. If these lands were allowed to develop as currently designated, 6,092 new single and multi-family residential units would be constructed. Based on an average household size of 2.88 persons,[13] it is estimated that at buildout, these new residential units would result in a total of 17,545 new residents. Desert Hot Springs would annually receive motor vehicle in-lieu revenues of $51,582 at buildout. The following table summarizes potential annual Motor Vehicle In-Lieu revenues to Desert Hot Springs for all four buildout phases.

Table V-5 Desert Hot Springs Motor Vehicle In-Lieu Revenue Summary Table				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total Motor Vehicle In-Lieu Revenue from all development	**$12,896**	**$25,791**	**$38,687**	**$51,582**

F. TUMF Fees

As previously discussed, Desert Hot Springs participates in the Transportation Uniform Mitigation Fee (TUMF) program. TUMF fees, which fund regional transportation improvement

[12] Per Fiscal Year 2009-2010 Motor Vehicle License Fees, as reported on http://www.sco.ca.gov/ard_payments_mvlf_fy0910.html ," prepared by State Controller's Office.

[13] Table 2: E-5 City/County Population and Housing Estimates, 1/1/2010, California Department of Finance.

projects in the Coachella Valley, are paid by developers of new projects prior to the issuance of building permits.

Because all TUMF fees are allocated to CVAG for regional transportation improvements, and none are retained by the jurisdiction in which they were collected, the TUMF fees are also identified as a cost in the Restricted Fund Costs section. The direct fiscal impacts of MSHCP implementation on Desert Hot Springs will therefore be zero.

TUMF Fee Potential from Residential Development

TUMF fees for residential development are calculated per dwelling unit. Fees for single-family dwelling units are $1,837.44 per unit, and $1,276.80 per multi-family dwelling unit. In Desert Hot Springs, the 3,123± acres with residential development potential would result in construction of 5,504 single-family residences and 588 multi-family residences, for a total of 6,092 residential units. Based on these data, CVAG would collect a total of $2,729,462 in TUMF fees for residential development during each phase of residential development in Desert Hot Springs. This is not annual revenue, but a one-time revenue which would occur at the time each unit is built.

Industrial Development TUMF Fee Potential

For industrial development, TUMF fees are collected at a rate of $1,031.56 per 1,000 square feet of gross floor area for industrial. There are approximately 117 acres of vacant lands with potential for 433,204 square feet of industrial space per phase. CVAG would collect $446,876 in TUMF fees per phase. This is not annual revenue, but a one-time revenue which would occur at the time each building is built.

Summary

The following table summarizes TUMF fees that would be lost if all vacant lands with development potential in Desert Hot Springs were placed in conservation.

Table V-6
Desert Hot Springs
TUMF Revenue Summary Table

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total TUMF revenue from residential development	$2,729,462	$2,729,462	$2,729,462	$2,729,462
Total TUMF revenue from industrial development	$446,876	$446,876	$446,876	$446,876
Total TUMF revenue from all development	**$3,176,339**	**$3,176,339**	**$3,176,339**	**$3,176,339**

G. Highway User Gas Tax Revenue

Desert Hot Springs received a per capita apportionment factor for fiscal year 2009-2010 of $16.15.[14] Based on a total potential population of 17,545, total annual gas tax revenue from all development in Desert Hot Springs would be $283,351 at buildout.

The following table summarizes potential annual Highway User Gas Tax revenues for Desert Hot Springs.

Table V-7
Desert Hot Springs
Highway User Gas Tax Revenue Summary

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total Gas Tax Revenue from all development	**$70,838**	**$141,676**	**$212,513**	**$283,351**

H. Measure A Revenue

Of the 8.75% sales tax collected in Riverside County, 0.50% is contributed to the Measure A fund. These revenues are managed and dispersed by the Riverside County Transportation Commission (RCTC). For Measure A revenues allocated to the Coachella Valley region, 65% is specifically designated for regional transportation projects, including highway and arterial improvements and public transit programs. Of the remaining 35% allocated to local jurisdictions for use in funding local street maintenance, traffic signal installation, and related improvements, 24% is allocated to the Coachella Valley region. Of that 24%, Desert Hot Springs receives a 3% allocation, based on the City's population and total taxable sales. [15]

Potential Measure A Revenues from Residential Development
This analysis projects that potential residential development in Desert Hot Springs would result in approximately 6,092 residential dwellings. Potential residential development in Desert Hot Springs would yield $561 in annual Measure A Revenues at buildout.

Summary
The following table summarizes potential annual Measure A Revenues that would be lost should potentially developable vacant lands in Desert Hot Springs be converted to conservation.

[14] Source: Monthly Highway Users Tax, Fiscal Year 2009-2010, prepared by State Controller's Office, http://www.sco.ca.gov/ard_payments_highway_fy0910.html, accessed Jan. 20,2011.

[15] Source: "Fiscal Year 2010/2011 Budget", Riverside County Transportation Commission, June 9,2010.

Table V-8 Desert Hot Springs Measure A Revenue Summary				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total Measure A revenue from single-family resid. development	$134	$268	$402	$536
Total Measure A revenue from multi-family resid. development	$6	$13	$19	$25
Total Measure A revenue from all development	**$140**	**$281**	**$421**	**$561**

I. County Service Area (CSA) 152 Revenue

As discussed in Chapter IV, Desert Hot Springs is one of four Coachella Valley cities that participate in CSA 152, to support the National Pollution Discharge Elimination System (NPDES), a program that implements the federal Clean Water Act of 1990. Riverside County collects, manages, and reimburses to the participating cities 100% of the CSA 152 assessments collected.

Desert Hot Springs' BAU dollar rate is $1.56.[16] The assessment for residential lands is based on the BAU dollar rate multiplied by the number of dwelling units on a parcel, and the number of BAUs assigned to the property. The same formula is used to determine the assessment for industrial lands, with the exception that the assessment is based on the number of developed acres on a parcel instead of dwelling units per parcel. CSA 152 revenue assessments are discussed for residential and industrial development, below.

Potential CSA 152 Revenue from Residential Development

There are approximately 3,123 vacant acres in conservation areas with potential for residential development. If allowed to develop under their current designations, these 3,123 acres would result in construction of 6,092 units at buildout. Potential annual CSA 152 revenues from residential development would be $9,504 at buildout.

Potential CSA 152 Revenue from Industrial Development

There are a total of 117± undeveloped acres with potential for industrial development. Those 117± acres of developed industrial lands would yield $2,190 in annual CSA 152 revenues at buildout. The following table summarizes potential annual CSA 152 revenues from all vacant lands with potential for urban development in Desert Hot Springs.

[16] Personal communication, Michael Franklin at Riverside County EDA, February 15, 2011.

Table V-9 Desert Hot Springs CSA 152 Revenue Summary				
	Buildout Phase			
	Phase I (Yrs 1-5)	Phase II (Yrs 6-10)	Phase III (Yrs 11-15)	Phase IV (Yrs 16-20)
Total CSA 152 Revenue from Residential Development	$2,376	$4,752	$7,128	$9,504
Total CSA 152 Revenue from Industrial Development	$548	$1,095	$1,643	$2,190
Total CSA 152 Revenue from all Development	**$2,923**	**$5,847**	**$8,770**	**$11,694**

J. Special Revenue Sources

1. Desert Hot Springs Utility Tax

As discussed in Chapter IV, the City of Desert Hot Springs levies a Utility Tax on all users of electricity, natural gas, cable and other utilities. The tax is equal to 7% of each utility bill.[17] Utility Tax revenues for fiscal year 2009-2010 were $2,529,180.[18] With approximately 9,223 occupied dwelling units in the City in 2010, this equates to approximately $274.23 per dwelling unit per year.

To determine potential utility tax revenues, this analysis multiplies the annual per dwelling unit factor ($274.23) by the number of units that could be constructed on proposed conservation lands. The model does not project potential utility tax revenues generated by future industrial development, because the per dwelling unit factor shown above ($274.23) accounts for all utility users in the City, including industrial development.

As has been stated, it is projected that a total of 6,092 residential units would be constructed in Desert Hot Springs at buildout. As previously stated, it is assumed that 100 percent these units would be occupied. Applying the $274.23 per dwelling unit factor, annual Utility Tax revenues would be $1,670,581 at buildout. Table V-10, below, summarizes this information.

Table V-10 Desert Hot Springs Utility Tax Revenue Summary				
	Buildout Phase			
	Phase I (Yrs 1-5)	Phase II (Yrs 6-10)	Phase III (Yrs 11-15)	Phase IV (Yrs 16-20)
Total Utility Tax Revenue from all residential development	**$417,645**	**$835,290**	**$1,252,936**	**$1,670,581**

[17] Jason Simpson, City of Desert Hot Springs, March 31,2011.
[18] Jason Simpson, City of Desert Hot Springs, March 31,2011.

2. Desert Hot Springs Public Safety Tax

The City of Desert Hot Springs collects a Public Safety Tax, recently renewed by the voters. This tax is a restricted revenue source which provides for police, fire, code compliance and animal control services and programs. The following tax rates are applied to future development that could occur on proposed conservation lands.

Table V-11
Desert Hot Springs
Public Safety Tax Rates

Land Use	Annual Public Safety Tax Rate
Residential	
Single family	$120.87/unit
Duplexes/R-2	$67.60/unit
Apartments	$38.72/unit
Vacant Acres (all densities)	$8.57/acre
Industrial	
Developed Acres (all categories)	$521.91/acre
Vacant Acres (all categories)	$2.36/acre

Source: City of Desert Hot Springs, Fiscal Year 2010-2011.

Potential Public Safety Tax Revenues from Residential Development
Lands proposed for conservation could yield 6,092 units, of which 5,504 would be single family homes, 96 medium density (duplex, R-2) units, and 492 apartments. The resulting calculations show that for all lands designated for residential development annual public safety tax revenues would be $690,815.

Potential Public Safety Tax Revenues from Industrial Development
There are 117 acres proposed for industrial development within the conservation areas. Based on the rates shown above, the City would receive $20,762 at buildout from industrial development for its public safety tax.

Summary
The following table summarizes potential public safety tax revenues for all vacant lands with potential for development. These revenues would be lost should these lands be converted to conservation.

Table V-12 Desert Hot Springs Public Safety Tax Revenue Summary				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total tax revenue from residential development	$211,861	$371,511	$531,163	$690,815
Total tax revenue from industrial development	$5,398	$10,519	$15,641	$20,762
Total Public Safety tax revenue from all development	**$217,259**	**$382,030**	**$546,804**	**$711,577**

3. Desert Hot Springs Community Facilities District

The City previously relied on landscaping and lighting districts to fund parkway maintenance for new development. Since the preparation of the last Fiscal Impact Analysis, the City has established a Community Facilities District, to which all new development will be annexed. Therefore, lands proposed for conservation, should they be developed, would participate in the CFD when development occurred. The CFD includes a broad range of annual assessments, based on the maintenance category of each parcel. Since it impossible to estimate the maintenance category of the potential development on conservation lands, a mid-range value of $400.00 per parcel for residential development, and $950.00 for industrial development have been estimated. The CFD further prescribes that single family residential units are charged a Benefit Unit of 1, multi-family units a Benefit Unit of 0.6, and industrial development is charged at 2 Benefit Units. These assumptions were used to calculate the potential revenues to the City resulting from development of the conservation lands.

Potential LLD Revenues from Residential Development

The 5,504 single family residential units would generate a total of $2,201,600 at buildout for the CFD, while multi-family units would generate $141,120, for a total residential contribution of $2,342,720 to the CFD at buildout.

Potential LLD Revenues from Industrial Development

There are 117± acres with potential for development for industrial uses in Desert Hot Springs. Based on the assumptions shown above, total annual CFD revenues would be $95,043 at buildout.

Summary

The following table summarizes CFD assessment revenues for lands with potential for development. CFD revenues would be lost if these lands are placed in conservation.

Table V-13 Desert Hot Springs Community Facilities District Revenue Summary				
	Buildout Phase			
	Phase I (Yrs 1-5)	Phase II (Yrs 6-10)	Phase III (Yrs 11-15)	Phase IV (Yrs 16-20)
Total CFD Revenue from Single-Family Resid. Development	$550,400	$1,100,800	$1,651,200	$2,201,600
Total CFD Revenue from Multi-Family Resid. Development	$35,280	$70,560	$105,840	$141,120
Total CFD Revenue from Industrial Development	$95,043	$95,043	$95,043	$95,043
Total Annual CFD Revenue from all development	**$680,723**	**$1,266,403**	**$1,852,083**	**$2,437,763**

K. Investment Income

Revenues lost to conservation will also result in loss of any investment income that could be generated by these revenues. Potential investment earnings on new revenues are projected using the historical average interest rate of the 90-Day Treasury Bill. During the 29-year period from 1982 through April 2011, the average interest earned on the 90-Day Treasury Bill was 5.03%.[19] Potential annual investment income for each land use is shown below.

L. Summary of Revenues

The following table summarizes all general fund and restricted fund revenues that would be lost if vacant lands in Desert Hot Springs with development potential were placed in conservation under the proposed MSHCP. This table also shows potential annual investment income that would be lost as a result of conservation of these lands.

[19] "3-Month Treasury Constant Maturity Rate", Board of Governors of the Federal Reserve System, as reported on http://www.forecasts.org/data/data/GS3M.htm, accessed June 23, 2011.

Table V-14
City of Desert Hot Springs
Total Potential Revenues Associated with
Development of Conservation Lands
Summary

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
ANNUAL REVENUES				
General Fund:				
Property Tax	$540,002	$1,080,004	$1,620,005	$2,160,006
Property Transfer Tax	$186,666	$251,729	$307,493	$371,556
Local Sales Tax	$111,383	$222,766	$334,149	$445,532
Transient Occupancy Tax	$0	$0	$0	$0
Utility Tax	$417,645	$835,290	$1,252,936	$1,670,581
Motor Vehicle In-Lieu Revenue	$12,896	$25,791	$38,687	$51,582
Restricted Funds:				
TUMF Fees	$3,176,339	$3,176,339	$3,176,339	$3,176,339
Highway Users Gas Tax	$70,838	$141,676	$212,513	$283,351
Measure A	$140	$281	$421	$561
CSA 152 (NPDES)	$2,923	$5,847	$8,770	$11,694
Community Facilities District	$680,723	$1,266,403	$1,852,083	$2,437,763
Public Safety Tax	$217,259	$382,030	$546,804	$711,577
SUMMARY OF REVENUES:				
Revenues:				
Total Annual General Fund Revenues	$1,268,592	$2,415,581	$3,553,269	$4,699,257
Total Annual Restricted Fund Revenues	$4,148,221	$4,972,575	$5,796,930	$6,621,284
Revenue Subtotal	$5,416,814	$7,388,155	$9,350,199	$11,320,541
Average Interest Rate on 90-Day Treasury Bills	5.03%	5.03%	5.03%	5.03%
Anticipated Interest Earned on Revenues	$272,466	$371,624	$470,315	$569,423
Total Annual Revenues at Phase Buildout	**$5,689,279**	**$7,759,780**	**$9,820,514**	**$11,889,964**

M. Potential Costs to the City of Desert Hot Springs

If lands being proposed for conservation are allowed to develop in the future, they will generate additional municipal costs. Expenditures will be required for general government services and the expansion and/or extension of infrastructure, roads and other public services. The fiscal model projects the costs of providing general government services, public safety, and transportation/roadway maintenance to new development on lands identified for conservation under the proposed MSHCP. The City will not incur these costs if these lands remain undeveloped and are placed in conservation.

1. Costs of General Government

General government costs represent the costs of providing a city's employee salaries and benefits, postage, printing, travel, equipment maintenance and repairs, contract services, computers, vehicles and other items necessary for the day-to-day functioning of city government. These items are typically funded through the General Fund.

According to the 2010-2011 Fiscal Year Budget, General Fund Expenditures in Desert Hot Springs are proposed at $4,119,709.00.20 The California Department of Finance, Desert Hot Springs had a population of 26,811. Based on these data, the annual per capita cost of providing general government services is $153.66 per person.

In Desert Hot Springs, development of the approximately 3,123 acres of vacant lands designated for residential uses would result in a total 6,092 new single and multi-family residential units, which would increase Desert Hot Springs' population by 17,545 persons at buildout. Based on the per capita figure cited above ($153.66), annual cost for the provision of general government services to the buildout population of potentially developable lands in Desert Hot Springs would be $2,695,913. Annual general government costs for each buildout phase are summarized in the following table.

Table V-15
Desert Hot Springs
Costs of General Government Summary

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Annual Costs of General Gov. for all development	**$673,978**	**$1,347,957**	**$2,021,935**	**$2,695,913**

2. Costs of Public Safety Services

The costs of providing public safety to future residents are calculated in the same manner as general government costs. Public safety expenditures include those associated with the police and fire departments, as well as code compliance and animal control departments. Public safety expenditures for fiscal year 2010-2011 are proposed at $9,573,455, or $357.07 per capita. As

[20] City of Desert Hot Springs Two Year Operating Budget, Proposed Fiscal Year 2010-2011.

previously stated, a buildout population of 17,545 would result from development of 6,092 new residential dwellings on the vacant lands proposed for conservation. Therefore, annual costs for provision of public safety services to the buildout population would be $6,264,812. Annual public safety costs for each buildout phase are summarized in Table V-16, below.

Table V-16
Desert Hot Springs
Costs of Public Safety Summary

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Annual Costs of Public Safety for all development	**$1,566,203**	**$3,132,406**	**$4,698,609**	**$6,264,812**

3. Costs of Roadway Maintenance

A per mile road cost factor is used to determine costs associated with repair and maintenance of future paved public roads in the conservation area.

In Desert Hot Springs, there are approximately 29.3 square miles of land and 134.96 paved road miles within the incorporated City limits, which equates to 4.6 road miles per square mile of land area. A total of approximately 10.1 square miles are designated for conservation, including both developed and vacant lands. Using the average of 4.6 road miles per square mile of land area, the potentially developable area proposed for conservation in Desert Hot Springs are estimated to include 46.45 miles of paved roadways at buildout.

In Desert Hot Springs, an estimated annual expenditure of $88,777 is required to maintain the 135 existing miles of paved roadway annually.[21] This equates to an annual maintenance cost of approximately $658 per road mile. In Desert Hot Springs, the potential 46.5 road miles in the conservation area would require maintenance expenditures of approximately $30,602 per year at buildout. The following table summarizes projected annual roadway maintenance costs for Desert Hot Springs for each phase. Should lands identified for conservation under the MSCHP be conserved, it is assumed no roadways will be required to serve those lands, and these costs will not be incurred.

Table V-17
Desert Hot Springs
Costs of Roadway Maintenance Summary

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Annual Cost of Roadway Maintenance at Phase Buildout	**$7,651**	**$15,301**	**$22,952**	**$30,602**

[21] Provided by Martin Magana, Community Development Director at City of Desert Hot Springs, May 4, 2011.

N. Summary of Costs

The following table summarizes all general fund and restricted fund costs associated with potentially developable lands in the proposed MSHCP conservation area in Desert Hot Springs.

Table V-18
Desert Hot Springs
Total Potential Costs Associated with Development of Conservation Lands
Summary

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
ANNUAL COSTS				
General Fund:				
General Government Costs	$673,978	$1,347,957	$2,021,935	$2,695,913
Restricted Funds:				
Public Safety Costs	$1,566,203	$3,132,406	$4,698,609	$6,264,812
Roadway Maintenance Costs	$7,651	$15,301	$22,952	$30,602
TUMF Allocation to CVAG	$3,176,339	$3,176,339	$3,176,339	$3,176,339
SUMMARY OF COSTS:				
Costs:				
Total Annual General Fund Costs	$673,978	$1,347,957	$2,021,935	$2,695,913
Total Annual Restricted Fund Costs	$4,750,192	$6,324,046	$7,897,900	$9,471,753
TOTAL ANNUAL COSTS AT PHASE BUILDOUT	**$5,424,171**	**$7,672,002**	**$9,919,834**	**$12,167,666**

O. Cost/Revenue Summary

The following table summarizes all potential revenues and costs the City will realize if all of the 3,240± acres of potentially developable conservation lands within Desert Hot Springs are allowed to develop. The table also summarizes costs that will be expended if these lands are developed.

Table V-19
Total Potential Costs/Revenues Associated with Development of Conservation Lands
Summary Table - City of Desert Hot Springs

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
ANNUAL REVENUES				
General Fund:				
Property Tax	$540,002	$1,080,004	$1,620,005	$2,160,006
Property Transfer Tax	$186,666	$251,729	$307,493	$371,556
Local Sales Tax	$111,383	$222,766	$334,149	$445,532
Transient Occupancy Tax	$0	$0	$0	$0
Utility Tax	$417,645	$835,290	$1,252,936	$1,670,581
Motor Vehicle In-Lieu Revenue	$12,896	$25,791	$38,687	$51,582
Restricted Funds:				
TUMF Fees	$3,176,339	$3,176,339	$3,176,339	$3,176,339
Highway Users Gas Tax	$70,838	$141,676	$212,513	$283,351
Measure A	$140	$281	$421	$561
CSA 152 (NPDES)	$2,923	$5,847	$8,770	$11,694
Community Facilities District	$680,723	$1,266,403	$1,852,083	$2,437,763
Public Safety Tax	$217,259	$382,030	$546,804	$711,577
ANNUAL COSTS				
General Fund:				
General Government Costs	$673,978	$1,347,957	$2,021,935	$2,695,913
Restricted Funds:				
Public Safety Costs	$1,566,203	$3,132,406	$4,698,609	$6,264,812
Roadway Maintenance Costs	$7,651	$15,301	$22,952	$30,602
TUMF Allocation to CVAG	$3,176,339	$3,176,339	$3,176,339	$3,176,339
SUMMARY OF REVENUES/COSTS:				
Revenues:				
Total Annual General Fund Revenues	$1,268,592	$2,415,581	$3,553,269	$4,699,257
Total Annual Restricted Fund Revenues	$4,148,221	$4,972,575	$5,796,930	$6,621,284
Revenue Subtotal	$5,416,814	$7,388,155	$9,350,199	$11,320,541
Historic Average Interest Rate on 90-Day Treasury Bills	5.03%	5.03%	5.03%	5.03%
Anticipated Interest Earned on Revenues	$272,466	$371,624	$470,315	$569,423
Total Annual Revenues at Phase Buildout	$5,689,279	$7,759,780	$9,820,514	$11,889,964
Costs:				
Total Annual General Fund Costs	$673,978	$1,347,957	$2,021,935	$2,695,913
Total Annual Restricted Fund Costs	$4,750,192	$6,324,046	$7,897,900	$9,471,753
Total Annual Costs at Phase Buildout	$5,424,171	$7,672,002	$9,919,834	$12,167,666
Annual Cashflow at Phase Buildout	**$265,109**	**$87,777**	**-$99,320**	**-$277,702**

P. Conclusion

Based on the summary table, currently vacant lands with potential for urban development in Desert Hot Springs would, if developed, result in a negative cash flow for the City over the long term. This is attributable to the fact that residential development does not generate sufficient municipal revenues to cover associated costs, particularly in areas such as Desert Hot Springs, where housing is affordable. Therefore, conservation of these potentially developable lands under the proposed MSHCP will benefit Desert Hot Springs over the long term.

Appendix A

Detailed Cost and Revenue Tables

Property Tax Revenue from Residential Development				
Land Use Designation: Rural Desert (0-1 du/10 ac) ***Total No. Acres Lost to Conservation: 936 acres*** ***No. of Potential Buildout Units: 72***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	234	234	234	234
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase [1]	18	18	18	18
Number of total potential units constructed at phase buildout	18	36	54	72
Average value per unit	$207,000	$207,000	$207,000	$207,000
Total Value of acres lost to conservation	$3,726,000	$7,452,000	$11,178,000	$14,904,000
Property Tax Rate	1%	1%	1%	1%
Total Property Tax Collected at phase buildout	$37,260	$74,520	$111,780	$149,040
Percent of Property Tax Allocated to this city	16.6%	16.6%	16.6%	16.6%
Total Property Tax Allocated to this city at phase buildout	$6,185	$12,370	$18,555	$24,741
Percent of Property Tax Allocated to Riverside Co. General Fund	23.1%	23.1%	23.1%	23.1%
Total Amount Allocated to Riverside Co. General Fund at phase buildout	$8,607	$17,214	$25,821	$34,428

1= Assumes 75% of the total number of units possible, at maximum permitted density.

* =variable data to be determined and entered into table

Land Use Designation: Residential Estates (0-1 du/10 ac) ***Total No. Acres Lost to Conservation: 233 acres*** ***No. of Potential Buildout Units: 16***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase [1]	4	4	4	4
Number of total potential units constructed at phase buildout	4	8	12	16
Average value per unit	$207,000	$207,000	$207,000	$207,000
Total Value of acres lost to conservation	$828,000	$1,656,000	$2,484,000	$3,312,000
Property Tax Rate	1%	1%	1%	1%
Total Property Tax Collected at phase buildout	$8,280	$16,560	$24,840	$33,120
Percent of Property Tax Allocated to this city	16.6%	16.6%	16.6%	16.6%
Total Property Tax Allocated to this city at phase buildout	$1,374	$2,749	$4,123	$5,498
Percent of Property Tax Allocated to Riverside Co. General Fund	23.1%	23.1%	23.1%	23.1%
Total Amount Allocated to Riverside Co. General Fund at phase buildout	$1,913	$3,825	$5,738	$7,651

1= Assumes 75% of the total number of units possible, at maximum permitted density.

Land Use Designation: Rural Residential (0-1 du/5ac) ***Total No. Acres Lost to Conservation: 465 acres*** ***No. of Potential Buildout Units: 68***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	116.25	116.25	116.25	116.25
Maximum density permitted (units/acre)	0.2	0.2	0.2	0.2
Maximum potential units constructed during this phase [1]	17	17	17	17
Number of total potential units constructed at buildout	17	34	51	68
Average value per unit	$207,000	$207,000	$207,000	$207,000
Total Value of all acres lost to conservation	$3,519,000	$7,038,000	$10,557,000	$14,076,000
Property Tax Rate	1%	1%	1%	1%
Total Property Tax Collected at Phase Buildout	$35,190	$70,380	$105,570	$140,760
Percent of Property Tax Allocated to this City	16.6%	16.6%	16.6%	16.6%
Total Property Tax Allocated to this city at Phase Buildout	$5,842	$11,683	$17,525	$23,366
Percent of Property Tax Allocated to Riverside Co. General Fund	23.1%	23.1%	23.1%	23.1%
Total Amount Allocated to Riverside Co. General Fund at Phase Buildout	$8,129	$16,258	$24,387	$32,516

1= Assumes 75% of the total number of units possible, at maximum permitted density.

Land Use Designation: Low Density (0-5 du/ac) ***Total No. Acres Lost to Conservation: 259 acres*** ***No. of Potential Buildout Units: 972***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	64.75	64.75	64.75	64.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase [1]	243	243	243	243
Number of total potential units constructed at buildout	243	486	729	972
Average value per unit	$207,000	$207,000	$207,000	$207,000
Total Value of all acres lost to conservation	$50,301,000	$100,602,000	$150,903,000	$201,204,000
Property Tax Rate	1%	1%	1%	1%
Total Property Tax Collected at Phase Buildout	$503,010	$1,006,020	$1,509,030	$2,012,040
Percent of Property Tax Allocated to this City	16.6%	16.6%	16.6%	16.6%
Total Property Tax Allocated to this city at Phase Buildout	$83,500	$166,999	$250,499	$333,999
Percent of Property Tax Allocated to Riverside Co. General Fund	23.1%	23.1%	23.1%	23.1%
Total Amount Allocated to Riverside Co. General Fund at Phase Buildout	$116,195	$232,391	$348,586	$464,781

1= Assumes 75% of the total number of units possible, at maximum permitted density.

Land Use Designation: Low Density, Specific Plan (0-5 du/ac) ***Total No. Acres Lost to Conservation: 1,167 acres*** ***No. of Potential Buildout Units: 4376***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	291.75	291.75	291.75	291.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase [1]	1,094	1,094	1,094	1,094
Number of total potential units constructed at buildout	1,094	2,188	3,282	4,376
Average value per unit	$207,000	$207,000	$207,000	$207,000
Total Value of all acres lost to conservation	$226,458,000	$452,916,000	$679,374,000	$905,832,000
Property Tax Rate	1%	1%	1%	1%
Total Property Tax Collected at Phase Buildout	$2,264,580	$4,529,160	$6,793,740	$9,058,320
Percent of Property Tax Allocated to this city	16.6%	16.6%	16.6%	16.6%
Total Property Tax Allocated to this city at Phase Buildout	$375,920	$751,841	$1,127,761	$1,503,681
Percent of Property Tax Allocated to Riverside Co. General Fund	23.1%	23.1%	23.1%	23.1%
Total Amount Allocated to Riverside Co. General Fund at Phase Buildout	$523,118	$1,046,236	$1,569,354	$2,092,472

1= Assumes 75% of the total number of units possible, at maximum permitted density.

Land Use Designation: Medium Density (0-8 du/ac) ***Total No. Acres Lost to Conservation: 16 acres*** ***No. of Potential Buildout Units: 96***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	4	4	4	4
Maximum density permitted (units/acre)	8	8	8	8
Maximum potential units constructed during this phase [1]	24	24	24	24
Number of total potential units constructed at phase buildout	24	48	72	96
Average value per unit	$98,490	$98,490	$98,490	$98,490
Total Value of acres lost to conservation	$2,363,760	$4,727,520	$7,091,280	$9,455,040
Property Tax Rate	1%	1%	1%	1%
Total Property Tax Collected at Phase Buildout	$23,638	$47,275	$70,913	$94,550
Percent of Property Tax Allocated to this city	16.6%	16.6%	16.6%	16.6%
Total Property Tax Allocated to this city at Phase Buildout	$3,924	$7,848	$11,772	$15,695
Percent of Property Tax Allocated to Riverside Co. General Fund	23.1%	23.1%	23.1%	23.1%
Total Amount Allocated to Riverside Co. General Fund at Phase Buildout	$5,460	$10,921	$16,381	$21,841

1= Assumes 75% of the total number of units possible, at maximum permitted density.

Land Use Designation: High Density, Specific Plan (0-14 du/ac) ***Total No. Acres Lost to Conservation: 47 acres*** ***No. of Potential Buildout Units: 492***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	11.75	11.75	11.75	11.75
Maximum density permitted (units/acre)	14	14	14	14
Maximum potential units constructed during this phase [1]	123	123	123	123
Number of total potential units constructed at phase buildout	123	246	369	492
Average value per unit	$98,490	$98,490	$98,490	$98,490
Total Value of acres lost to conservation	$12,114,220	$24,228,439	$36,342,659	$48,456,878
Property Tax Rate	1%	1%	1%	1%
Total Property Tax Collected at Phase Buildout	$121,142	$242,284	$363,427	$484,569
Percent of Property Tax Allocated to this city	16.6%	16.6%	16.6%	16.6%
Total Property Tax Allocated to this city at Phase Buildout	$20,110	$40,219	$60,329	$80,438
Percent of Property Tax Allocated to Riverside Co. General Fund	23.1%	23.1%	23.1%	23.1%
Total Amount Allocated to Riverside Co. General Fund at Phase Buildout	$27,984	$55,968	$83,952	$111,935

1= Assumes 75% of the total number of units possible, at maximum permitted density.

Property Tax Revenue from Industrial Development				
Land Use Designation: Light Industrial (LI) ***Total No. Acres Lost to Conservation: 89 acres*** ***Potential Square Feet at Buildout:1,318,124***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	22.25	22.25	22.25	22.25
Number of square feet constructed during this phase[1]	329,531	329,531	329,531	329,531
Total square feet constructed at phase buildout	329,531	659,062	988,593	1,318,124
Average value per square foot	$60.00	$60.00	$60.00	$60.00
Total average value of all property lost to conservation	$19,771,860	$39,543,720	$59,315,580	$79,087,440
Property Tax Rate	1.00%	1.00%	1.00%	1.00%
Total Property Tax Collected at Phase Buildout	$197,719	$395,437	$593,156	$790,874
Percent of Property Tax Allocated to this city	16.6%	16.6%	16.6%	16.6%
Total Property Tax Allocated to this city at Phase Buildout	$32,821	$65,643	$98,464	$131,285
Percent of Property Tax Allocated to Riverside Co. General Fund	23.1%	23.1%	23.1%	23.1%
Total Amount Allocated to Riverside Co. General Fund at Phase Buildout	$45,673	$91,346	$137,019	$182,692

1 assumes 34% building coverage.

Land Use Designation: Light Industrial (I-L) ***Total No. Acres Lost to Conservation: 28 acres*** ***Potential Square Feet at Buildout: 414,692***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	7	7	7	7
Number of square feet constructed during this phase[1]	103673	103673	103673	103673
Total square feet constructed at phase buildout	103673	207346	311019	414692
Average value per square foot	60	60	60	60
Total average value of all property lost to conservation	$6,220,380	$12,440,760	$18,661,140	$24,881,520
Property Tax Rate	1.00%	1.00%	1.00%	1.00%
Total Property Tax Collected at Phase Buildout	$62,204	$124,408	$186,611	$248,815
Percent of Property Tax Allocated to this city	16.60%	16.60%	16.60%	16.60%
Total Property Tax Allocated to this city at Phase Buildout	$10,326	$20,652	$30,977	$41,303
Percent of Property Tax Allocated to Riverside Co. General Fund	23.10%	23.10%	23.10%	23.10%
Total Amount Allocated to Riverside Co. General Fund at Phase Buildout	$14,369	$28,738	$43,107	$57,476
1 assumes 34% building coverage				

CITY Property Tax Revenue Summary Table				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total property tax revenue from residential development	$496,855	$993,709	$1,490,564	$1,987,418
Total property tax revenue from industrial development	$43,147	$86,295	$129,441	$172,588
Total property tax revenue from all development	**$540,002**	**$1,080,004**	**$1,620,005**	**$2,160,006**

RIVERSIDE COUNTY Property Tax Revenue Summary Table				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total property tax revenue from residential development	$691,406	$1,382,812	$2,074,218	$2,765,624
Total property tax revenue from industrial development	$60,042	$120,084	$180,126	$240,168
Total property tax revenue from all development	**$751,448**	**$1,502,896**	**$2,254,344**	**$3,005,792**

Property Transfer Tax from Residential Development				
Land Use Designation: Rural Desert (0-1 du/10 ac) ***Total No. Acres Lost to Conservation: 936 acres*** ***No. of Potential Buildout Units: 72***	**Buildout Phase**			
	Phase I (Yrs.1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
New Units (100% of market value is subject to tax)				
Number of acres developed during phase	234	234	234	234
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Number of new units during this phase[1]	18	18	18	18
Market Value per unit	$207,000	$207,000	$207,000	$207,000
Amount Subject to Property Transfer Tax for all new units sold	$3,726,000	$3,726,000	$3,726,000	$3,726,000
Existing Units(80% of market value is subject to tax)				
Number of units constructed in 1st year of this phase	4	4	4	4
Number of existing units changing ownership in 1st year of this phase	Ø	1	3	5
Number of units constructed in 2nd year of this phase	4	4	4	4
Number of existing units changing ownership in 2nd year of this phase	Ø	2	4	6
Number of units constructed in 3rd year of this phase	4	4	4	4
Number of existing units changing ownership in 3rd year of this phase	Ø	2	4	6
Number of units constructed in 4th year of this phase	4	4	4	4
Number of existing units changing ownership in 4th year of this phase	0	2	4	6
Number of units constructed in 5th year of this phase	3	4	4	4
Number of existing units changing ownership in 5th year of this phase	1	3	5	7
Total number of units constructed during this phase	19	20	20	20
Total number of existing units changing ownership during this phase	1	10	20	30
Market Value per unit	$207,000	$207,000	$207,000	$207,000
Unencumbered Value per unit (80% of market value)	$165,600	$165,600	$165,600	$165,600
Amount subject to Property Transfer Tax for all existing units changing ownership during this phase	$165,600	$1,656,000	$3,312,000	$4,968,000

1= Assumes 75% of the total number of units possible, at maximum permitted density
*= Variable data to be determined and entered into table

New Units & Existing Units Combined				
Total amount subject to Property Transfer Tax (includes all new units sold & all existing units changing ownership)	$3,891,600	$5,382,000	$7,038,000	$8,694,000
Property Transfer Tax Rate	0.11%	0.11%	0.11%	0.11%
Total Property Transfer Tax Collected at phase buildout	$4,281	$5,920	$7,742	$9,563
Percent of Property Transfer Tax allocated to City	50%	50%	50%	50%
Total Property Transfer Tax Allocated to City at phase buildout	$2,140	$2,960	$3,871	$4,782
Percent of Property Transfer Tax allocated to Riverside County	50%	50%	50%	50%
Total Property Transfer Tax Allocated to Riverside Co. at phase buildout	$2,140	$2,960	$3,871	$4,782

Land Use Designation: Residential Estates (0-1 du/10 ac) ***Total No. Acres Lost to Conservation: 233 acres*** ***No. of Potential Buildout Units: 16***	**Buildout Phase**			
	Phase I (Yrs.1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
New Units (100% of market value is subject to tax)				
Number of acres developed during phase	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Number of new units during this phase[1]	4	4	4	4
Market Value per unit	$207,000	$207,000	$207,000	$207,000
Amount Subject to Property Transfer Tax for all new units sold	$828,000	$828,000	$828,000	$828,000
Existing Units(80% of market value is subject to tax)				
Number of units constructed in 1st year of this phase	1	1	1	1
Number of existing units changing ownership in 1st year of this phase	Ø	0	1	1
Number of units constructed in 2nd year of this phase	1	1	1	1
Number of existing units changing ownership in 2nd year of this phase	Ø	0	1	1
Number of units constructed in 3rd year of this phase	1	1	1	1
Number of existing units changing ownership in 3rd year of this phase	Ø	0	1	1
Number of units constructed in 4th year of this phase	1	1	1	1
Number of existing units changing ownership in 4th year of this phase	0	1	1	2
Number of units constructed in 5th year of this phase	0	1	1	1
Number of existing units changing ownership in 5th year of this phase	0	1	1	2
Total number of units constructed during this phase	4	5	5	5
Total number of existing units changing ownership during this phase	0	2	5	7
Market Value per unit	$207,000	$207,000	$207,000	$207,000
Unencumbered Value per unit (80% of market value)	$165,600	$165,600	$165,600	$165,600
Amount subject to Property Transfer Tax for all existing units changing ownership during this phase	$0	$331,200	$828,000	$1,159,200

1= Assumes 75% of the total number of units possible, at maximum permitted density

New Units & Existing Units Combined				
Total amount subject to Property Transfer Tax (includes all new units sold & all existing units changing ownership)	$828,000	$1,159,200	$1,656,000	$1,987,200
Property Transfer Tax Rate	0.11%	0.11%	0.11%	0.11%
Total Property Transfer Tax Collected at phase buildout	$911	$1,275	$1,822	$2,186
Percent of Property Transfer Tax allocated to City	50%	50%	50%	50%
Total Property Transfer Tax Allocated to City at phase buildout	$455	$638	$911	$1,093
Percent of Property Transfer Tax allocated to Riverside County	50%	50%	50%	50%
Total Property Transfer Tax Allocated to Riverside Co. at phase buildout	$455	$638	$911	$1,093

Land Use Designation: Rural Residential (0-1 du/5ac) ***Total No. Acres Lost to Conservation: 465 acres*** ***No. of Potential Buildout Units: 68***	**Buildout Phase**			
	Phase I (Yrs.1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
New Units (100% of market value is subject to tax)				
Number of acres developed during phase	116.25	116.25	116.25	116.25
Maximum Density permitted (units/acre)	0.2	0.2	0.2	0.2
Number of new units during this phase[1]	17	17	17	17
Market Value per unit	$207,000	$207,000	$207,000	$207,000
Amount Subject to Property Transfer Tax for all new units sold	$3,519,000	$3,519,000	$3,519,000	$3,519,000
Existing Units(80% of market value is subject to tax)				
Number of units constructed in 1st year of this phase	3	3	3	3
Number of existing units changing ownership in 1st year of this phase	Ø	1	3	4
Number of units constructed in 2nd year of this phase	3	3	3	3
Number of existing units changing ownership in 2nd year of this phase	Ø	5	3	5
Number of units constructed in 3rd year of this phase	3	3	3	3
Number of existing units changing ownership in 3rd year of this phase	Ø	5	3	5
Number of units constructed in 4th year of this phase	4	4	4	4
Number of existing units changing ownership in 4th year of this phase	0	2	4	6
Number of units constructed in 5th year of this phase	4	4	4	4
Number of existing units changing ownership in 5th year of this phase	1	2	4	6
Total number of units constructed during this phase	17	17	17	17
Total number of existing units changing ownership during this phase	1	15	17	26
Market Value per unit	$207,000	$207,000	$207,000	$207,000
Unencumbered Value per unit (80% of market value)	$165,600	$165,600	$165,600	$165,600
Amount subject to Property Transfer Tax for all existing units changing ownership during this phase	$165,600	$2,484,000	$2,815,200	$4,305,600

1= Assumes 75% of the total number of units possible, at maximum permitted density

New Units & Existing Units Combined				
Total amount subject to Property Transfer Tax (includes all new units sold & all existing units changing ownership)	$3,684,600	$6,003,000	$6,334,200	$7,824,600
Property Transfer Tax Rate	0.11%	0.11%	0.11%	0.11%
Total Property Transfer Tax Collected at Phase Buildout	$4,053	$6,603	$6,968	$8,607
Percent of Property Transfer Tax allocated to City	50%	50%	50%	50%
Total Property Transfer Tax Allocated to City at Phase Buildout	$2,027	$3,302	$3,484	$4,304
Percent of Property Transfer Tax allocated to Riverside County	50%	50%	50%	50%
Total Property Transfer Tax Allocated to Riverside Co. at phase buildout	$2,027	$3,302	$3,484	$4,304

Land Use Designation: Low Density (0-5 du/ac) ***Total No. Acres Lost to Conservation: 259 acres*** ***No. of Potential Buildout Units: 972***	**Buildout Phase**			
	Phase I (Yrs.1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
New Units (100% of market value is subject to tax)				
Number of acres developed during phase	64.75	64.75	64.75	64.75
Maximum Density permitted (units/acre)	5	5	5	5
Number of new units during this phase[1]	243	243	243	243
Market Value per unit	$207,000	$207,000	$207,000	$207,000
Amount Subject to Property Transfer Tax for all new units sold	$50,301,000	$50,301,000	$50,301,000	$50,301,000
Existing Units(80% of market value is subject to tax)				
Number of units constructed in 1st year of this phase	49	49	49	49
Number of existing units changing ownership in 1st year of this phase	Ø	15	39	64
Number of units constructed in 2nd year of this phase	49	49	49	49
Number of existing units changing ownership in 2nd year of this phase	Ø	64	44	68
Number of units constructed in 3rd year of this phase	49	49	49	49
Number of existing units changing ownership in 3rd year of this phase	Ø	69	49	73
Number of units constructed in 4th year of this phase	49	49	49	49
Number of existing units changing ownership in 4th year of this phase	5	29	54	78
Number of units constructed in 5th year of this phase	49	49	49	49
Number of existing units changing ownership in 5th year of this phase	10	34	59	83
Total number of units constructed during this phase	245	245	245	245
Total number of existing units changing ownership during this phase	15	211	245	366
Market Value per unit	$207,000	$207,000	$207,000	$207,000
Unencumbered Value per unit (80% of market value)	$165,600	$165,600	$165,600	$165,600
Amount subject to Property Transfer Tax for all existing units changing ownership during this phase	$2,484,000	$34,941,600	$40,572,000	$60,609,600

1= Assumes 75% of the total number of units possible, at maximum permitted density

New Units & Existing Units Combined				
Total amount subject to Property Transfer Tax (includes all new units sold & all existing units changing ownership)	$52,785,000	$85,242,600	$90,873,000	$110,910,600
Property Transfer Tax Rate	0.11%	0.11%	0.11%	0.11%
Total Property Transfer Tax Collected at Phase Buildout	$58,064	$93,767	$99,960	$122,002
Percent of Property Transfer Tax allocated to City	50%	50%	50%	50%
Total Property Transfer Tax Allocated to City at Phase Buildout	$29,032	$46,883	$49,980	$61,001
Percent of Property Transfer Tax allocated to Riverside County	50%	50%	50%	50%
Total Property Transfer Tax Allocated to Riverside Co. at phase buildout	$29,032	$46,883	$49,980	$61,001

Land Use Designation: Low Density, Specific Plan (0-5 du/ac) ***Total No. Acres Lost to Conservation: 1,167 acres*** ***No. of Potential Buildout Units: 4,376***	**Buildout Phase**			
	Phase I (Yrs.1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
New Units (100% of market value is subject to tax)				
Number of acres developed during phase	291.75	291.75	291.75	291.75
Maximum Density permitted (units/acre)	5	5	5	5
Number of new units during this phase[1]	1094	1094	1094	1094
Market Value per unit	$207,000	$207,000	$207,000	$207,000
Amount Subject to Property Transfer Tax for all new units sold	$226,458,000	$226,458,000	$226,458,000	$226,458,000
Existing Units(80% of market value is subject to tax)				
Number of units constructed in 1st year of this phase	219	219	219	219
Number of existing units changing ownership in 1st year of this phase	Ø	66	175	285
Number of units constructed in 2nd year of this phase	219	219	219	219
Number of existing units changing ownership in 2nd year of this phase	Ø	88	197	307
Number of units constructed in 3rd year of this phase	219	219	219	219
Number of existing units changing ownership in 3rd year of this phase	Ø	109	219	328
Number of units constructed in 4th year of this phase	219	219	219	219
Number of existing units changing ownership in 4th year of this phase	22	131	241	350
Number of units constructed in 5th year of this phase	219	219	219	219
Number of existing units changing ownership in 5th year of this phase	44	153	263	372
Total number of units constructed during this phase	1095	1095	1095	1095
Total number of existing units changing ownership during this phase	66	547	1,095	1,642
Market Value per unit	$207,000	$207,000	$207,000	$207,000
Unencumbered Value per unit (80% of market value)	$165,600	$165,600	$165,600	$165,600
Amount subject to Property Transfer Tax for all existing units changing ownership during this phase	$10,913,040	$90,583,200	$181,332,000	$271,915,200

1= Assumes 75% of the total number of units possible, at maximum permitted density

New Units & Existing Units Combined				
Total amount subject to Property Transfer Tax (includes all new units sold & all existing units changing ownership)	$237,371,040	$317,041,200	$407,790,000	$498,373,200
Property Transfer Tax Rate	0.11%	0.11%	0.11%	0.11%
Total Property Transfer Tax Collected at Phase Buildout	$261,108	$348,745	$448,569	$548,211
Percent Tax allocated to City*	50%	50%	50%	50%
Total Property Transfer Tax Allocated to City at phase buildout	$130,554	$174,373	$224,285	$274,105
Percent of Property Transfer Tax allocated to Riverside County	50%	50%	50%	50%
Total Property Transfer Tax Allocated to Riverside Co. at phase buildout	$130,554	$174,373	$224,285	$274,105

Land Use Designation: Medium Density (0-8 du/ac) ***Total No. Acres Lost to Conservation: 16 acres*** ***No. of Potential Buildout Units: 96***	**Buildout Phase**			
	Phase I (Yrs.1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
New Units (100% of market value is subject to tax)				
Number of acres developed during phase	4.00	4.00	4.00	4.00
Maximum Density permitted (units/acre)	8	8	8	8
Number of new units during this phase[1]	24	24	24	24
Market Value per unit	$98,490	$98,490	$98,490	$98,490
Amount Subject to Property Transfer Tax for all new units sold	$2,363,760	$2,363,760	$2,363,760	$2,363,760
Existing Units(80% of market value is subject to tax)				
Number of units constructed in 1st year of this phase	5	5	5	5
Number of existing units changing ownership in 1st year of this phase	Ø	1	4	6
Number of units constructed in 2nd year of this phase	5	5	5	5
Number of existing units changing ownership in 2nd year of this phase	Ø	2	4	7
Number of units constructed in 3rd year of this phase	5	5	5	5
Number of existing units changing ownership in 3rd year of this phase	Ø	2	5	7
Number of units constructed in 4th year of this phase	5	5	5	5
Number of existing units changing ownership in 4th year of this phase	1	3	5	8
Number of units constructed in 5th year of this phase	5	5	5	5
Number of existing units changing ownership in 5th year of this phase	1	3	6	8
Total number of units constructed during this phase	25	25	25	25
Total number of existing units changing ownership during this phase	2	11	24	36
Market Value per unit	$98,490	$98,490	$98,490	$98,490
Unencumbered Value per unit (80% of market value)	$78,792	$78,792	$78,792	$78,792
Amount subject to Property Transfer Tax for all existing units changing ownership during this phase	$157,584	$866,712	$1,891,008	$2,836,512

1= Assumes 75% of the total number of units possible, at maximum permitted density

New Units & Existing Units Combined				
Total amount subject to Property Transfer Tax (includes all new units sold & all existing units changing ownership)	$2,521,344	$3,230,472	$4,254,768	$5,200,272
Property Transfer Tax Rate	0.11%	0.11%	0.11%	0.11%
Total Property Transfer Tax Collected at Phase Buildout	$2,773	$3,554	$4,680	$5,720
Percent of Property Transfer Tax allocated to City	50%	50%	50%	50%
Total Property Transfer Tax Allocated to City at Phase Buildout	$1,387	$1,777	$2,340	$2,860
Percent of Property Transfer Tax allocated to Riverside County	50%	50%	50%	50%
Total Property Transfer Tax Allocated to Riverside Co. at phase buildout	$1,387	$1,777	$2,340	$2,860

Land Use Designation: High Density, Specific Plan (0-14 du/ac) ***Total No. Acres Lost to Conservation: 47 acres*** ***No. of Potential Buildout Units: 492***	**Buildout Phase**			
	Phase I (Yrs.1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
New Units (100% of market value is subject to tax)				
Number of acres developed during phase	11.75	11.75	11.75	11.75
Maximum Density permitted (units/acre)	14	14	14	14
Number of new units during this phase[1]	123	123	123	123
Market Value per unit	$98,490	$98,490	$98,490	$98,490
Amount Subject to Property Transfer Tax for all new units sold	$12,114,220	$12,114,220	$12,114,220	$12,114,220
Existing Units(80% of market value is subject to tax)				
Number of units constructed in 1st year of this phase	25	25	25	25
Number of existing units changing ownership in 1st year of this phase	Ø	1	2	3
Number of units constructed in 2nd year of this phase	25	25	25	25
Number of existing units changing ownership in 2nd year of this phase	Ø	1	2	3
Number of units constructed in 3rd year of this phase	25	25	25	25
Number of existing units changing ownership in 3rd year of this phase	Ø	1	2	3
Number of units constructed in 4th year of this phase	25	25	25	25
Number of existing units changing ownership in 4th year of this phase	0	1	3	4
Number of units constructed in 5th year of this phase	17	17	17	17
Number of existing units changing ownership in 5th year of this phase	1	2	3	4
Total number of units constructed during this phase	117	117	117	117
Total number of existing units changing ownership during this phase	1	6	12	17
Market Value per unit	$98,490	$98,490	$98,490	$98,490
Unencumbered Value per unit (80% of market value)	$78,792	$78,792	$78,792	$78,792
Amount subject to Property Transfer Tax for all existing units changing ownership during this phase	$78,792	$472,750	$945,500	$1,339,458

1= Assumes 75% of the total number of units possible, at maximum permitted density

New Units & Existing Units Combined				
Total amount subject to Property Transfer Tax (includes all new units sold & all existing units changing ownership)	$12,193,012	$12,586,970	$13,059,720	$13,453,678
Property Transfer Tax Rate	0.11%	0.11%	0.11%	0.11%
Total Property Transfer Tax Collected at Phase Buildout	$13,412	$13,846	$14,366	$14,799
Percent of Property Transfer Tax allocated to City	50%	50%	50%	50%
Total Property Transfer Tax Allocated to City at phase buildout	$6,706	$6,923	$7,183	$7,400
Percent of Property Transfer Tax allocated to Riverside County	50%	50%	50%	50%
Total Property Transfer Tax Allocated to Riverside Co. at phase buildout	$6,706	$6,923	$7,183	$7,400

Property Transfer Tax from Industrial Development				
	Buildout Phase			
Land Use Designation: Light Industrial (LI) ***Total No. Acres Lost to Conservation: 89 acres*** ***Potential Square Feet at Buildout:1,318,124***	**Phase I (Yrs.1-5)**	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
New Units (100% of market value is subject to tax)				
Number of acres developed during phase	22.25	22.25	22.25	22.25
Number of square feet constructed at phase buildout[1]	329,531	329,531	329,531	329,531
Average value per square foot	$60.00	$60.00	$60.00	$60.00
Amount Subject to Property Transfer Tax for all new development	$19,771,860	$19,771,860	$19,771,860	$19,771,860
Existing Units(80% of market value is subject to tax)				
Number of square feet developed in 1st year of this phase	65,906	65,906	65,906	65,906
Number of square feet changing ownership in 1st year of this phase	Ø	1,977	5,272	8,568
Number of square feet developed in 2nd year of this phase	65,906	65,906	65,906	65,906
Number of square feet changing ownership in 2nd year of this phase	Ø	2,636	5,932	9,227
Number of square feet developed in 3rd year of this phase	65,906	65,906	65,906	65,906
Number of square feet changing ownership in 3rd year of this phase	Ø	3,295	6,591	9,886
Number of square feet developed in 4th year of this phase	65,906	65,906	65,906	65,906
Number of square feet changing ownership in 4th year of this phase	659	3,954	7,250	10,545
Number of square feet developed in 5th year of this phase	65,907	65,907	65,907	65,907
Number of square feet changing ownership in 5th year of this phase	1318	4,613	7,909	11,204
Total number of square feet developed during this phase	329,531	329,531	329,531	329,531
Total number of square feet changing ownership during this phase	1977	16,475	32,954	49,430
Average value per square foot	$60.00	$60.00	$60.00	$60.00
Unencumbered Value per unit (80% of market value)	48	48	48	48
Amount subject to Property Transfer Tax for all existing units changing ownership during this phase	94,896	790,800	1,581,792	2,372,640

1= Assumes 34% building coverage

New Units & Existing Units Combined				
Total amount subject to Property Transfer Tax (includes all new units sold & all existing units changing ownership)	$19,866,756	$20,562,660	$21,353,652	$22,144,500
Property Transfer Tax Rate	0.11%	0.11%	0.11%	0.11%
Total Property Transfer Tax Collected at Phase Buildout	$21,853	$22,619	$23,489	$24,359
Percent of Property Transfer Tax allocated to City	50%	50%	50%	50%
Total Property Transfer Tax Allocated to City at Phase Buildout	$10,927	$11,310	$11,745	$12,180
Percent of Property Transfer Tax allocated to Riverside County	50%	50%	50%	50%
Total Property Transfer Tax Allocated to Riverside Co. at phase buildout	$10,927	$11,310	$11,745	$12,180

Land Use Designation: Light Industrial (I-L) ***Total No. Acres Lost to Conservation: 28 acres*** ***Potential Square Feet at Buildout: 414,692***	**Buildout Phase** **Phase I (Yrs.1-5)**	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
New Units (100% of market value is subject to tax)				
Number of acres developed during phase	7	7	7	7
Number of square feet constructed at phase buildout[1]	103,673	103,673	103,673	103,673
Average value per square foot	$60.00	$60.00	$60.00	$60.00
Amount Subject to Property Transfer Tax for all new units sold	$6,220,380	$6,220,380	$6,220,380	$6,220,380
Existing Units(80% of market value is subject to tax)				
Number of square feet developed in 1st year of this phase	20,734	20,734	20,734	20,734
Number of square feet changing ownership in 1st year of this phase	Ø	622	1,659	2,696
Number of square feet developed in 2nd year of this phase	20,735	20,735	20,735	20,735
Number of square feet changing ownership in 2nd year of this phase	Ø	829	1,866	2,903
Number of square feet developed in 3rd year of this phase	20,735	20,735	20,735	20,735
Number of square feet changing ownership in 3rd year of this phase	Ø	1,037	2,073	3,110
Number of square feet developed in 4th year of this phase	20,735	20,735	20,735	20,735
Number of square feet changing ownership in 4th year of this phase	207	1,451	2,281	3,318
Number of square feet developed in 5th year of this phase	20,735	20,735	20,735	20,735
Number of square feet changing ownership in 5th year of this phase	415	1,451	2,488	3,525
Total number of square feet developed during this phase	103,674	103,674	103,674	103,674
Total number of square feet changing ownership during this phase	622	5,390	10,367	15,552
Average value per square foot	$60.00	$60.00	$60.00	$60.00
Unencumbered Value per unit (80% of market value)	48	48	48	48
Amount subject to Property Transfer Tax for all existing units changing ownership during	29,856	258,720	497,616	746,496

1= Assumes 34% building coverage

New Units & Existing Units Combined				
Total amount subject to Property Transfer Tax (includes all new units sold & all existing units changing ownership)	$6,250,236	$6,479,100	$6,717,996	$6,966,876
Property Transfer Tax Rate	0.11%	0.11%	0.11%	0.11%
Total Property Transfer Tax Collected at Phase Buildout	$6,875	$7,127	$7,390	$7,664
Percent of Property Transfer Tax allocated to City	50%	50%	50%	50%
Total Property Transfer Tax Allocated to City at Phase Buildout	$3,438	$3,564	$3,695	$3,832
Percent of Property Transfer Tax allocated to Riverside County	50%	50%	50%	50%
Total Property Transfer Tax Allocated to Riverside Co. at phase buildout	$3,438	$3,564	$3,695	$3,832

CITY Property Transfer Tax Revenue Summary Table				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total tax revenue from residential development	$172,301	$236,855	$292,053	$355,544
Total tax revenue from industrial development	$14,365	$14,874	$15,440	$16,012
Total property transfer tax revenue from all development	$186,666	$251,729	$307,493	$371,556

RIVERSIDE COUNTY Property Transfer Tax Revenue Summary Table				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total tax revenue from residential development	$172,301	$236,855	$292,053	$355,544
Total tax revenue from industrial development	$14,364	$14,873	$15,440	$16,012
Total property transfer tax revenue from all development	$186,665	$251,728	$307,493	$371,556

Public Safety Tax Revenue from Residential Development

Land Use Designation: Rural Desert (0-1 du/10 ac) *Total No. Acres Lost to Conservation: 936 acres* *No. of Potential Buildout Units: 72*	Buildout Phase			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	234	234	234	234
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase [1]	18	18	18	18
Number of total potential units constructed at buildout	18	36	54	72
Safety Tax Rate (per unit)	$120.87	$120.87	$120.87	$120.87
Public Safety Tax revenue from developed lands	**$2,176**	**$4,351**	**$6,527**	**$8,703**
Balance of vacant units at phase buildout	54.00	36.00	18.00	0.00
Safety Tax Rate (per vacant acre)	$8.57	$8.57	$8.57	$8.57
Public Safety Tax revenue from vacant lands	**$463**	**$309**	**$154**	**$0**
Total revenue from safety tax at phase buildout	**$2,639**	**$4,660**	**$6,681**	**$8,703**

1= Assumes 75% of total number o funits possible at maximum permitted density

Land Use Designation: Residential Estates (0-1 du/10 ac) ***Total No. Acres Lost to Conservation: 233 acres*** ***No. of Potential Buildout Units: 16***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase*	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)*	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase [1]	4	4	4	4
Number of total potential units constructed at buildout	4	8	12	16
Safety Tax Rate (per unit)	$120.87	$120.87	$120.87	$120.87
Public Safety Tax revenue from developed lands	**$483**	**$967**	**$1,450**	**$1,934**
Balance of vacant acreage at phase buildout	12.00	8.00	4.00	0.00
Safety Tax Rate (per vacant acre)	$8.57	$8.57	$8.57	$8.57
Public Safety Tax revenue from vacant lands	**$103**	**$69**	**$34**	**$0**
Total revenue from safety tax at phase buildout	**$586**	**$1,036**	**$1,484**	**$1,934**

1= Assumes 75% of total number o funits possible at maximum permitted density

Land Use Designation: Rural Residential (0-1 du/5ac) ***Total No. Acres Lost to Conservation: 465 acres*** ***No. of Potential Buildout Units: 68***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase*	116.25	116.25	116.25	116.25
Maximum density permitted (units/acre)*	0.2	0.2	0.2	0.2
Maximum potential units constructed during this phase [1]	17	17	17	17
Number of total potential units constructed at buildout	17	34	51	68
Safety Tax Rate (per unit)	$120.87	$120.87	$120.87	$120.87
Public Safety Tax revenue from developed lands	**$2,055**	**$4,110**	**$6,164**	**$8,219**
Balance of vacant acreage at phase buildout	51.00	34.00	17.00	0.00
Safety Tax Rate (per vacant acre)	$8.57	$8.57	$8.57	$8.57
Public Safety Tax revenue from vacant lands	**$437**	**$291**	**$146**	**$0**
Total revenue from safety tax at phase buildout	**$2,492**	**$4,401**	**$6,310**	**$8,219**

1= Assumes 75% of total number of units possible at maximum permitted density

Land Use Designation: Low Density (0-5 du/ac) ***Total No. Acres Lost to Conservation: 259 acres*** ***No. of Potential Buildout Units: 972***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	64.75	64.75	64.75	64.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase [1]	243	243	243	243
Number of total potential units constructed at buildout	243	486	729	972
Safety Tax Rate (per unit)	$120.87	$120.87	$120.87	$120.87
Public Safety Tax revenue from developed lands	**$29,372**	**$58,743**	**$88,115**	**$117,487**
Balance of vacant acreage at phase buildout	729.00	486.00	243.00	0.00
Safety Tax Rate (per vacant acre)	$8.57	$8.57	$8.57	$8.57
Public Safety Tax revenue from vacant lands	**$6,248**	**$4,165**	**$2,083**	**$0**
Total revenue from safety tax at phase buildout	**$35,620**	**$62,908**	**$90,198**	**$117,487**

1= Assumes 75% of total number of units possible at maximum permitted density

Land Use Designation: Low Density, Specific Plan (0-5 du/ac) Total No. Acres Lost to Conservation: 1,167 acres No. of Potential Buildout Units: 4,376	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	291.75	291.75	291.75	291.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase [1]	1094	1094	1094	1094
Number of total potential units constructed at buildout	1094	2,188	3,282	4,376
Safety Tax Rate (per unit)	$120.87	$120.87	$120.87	$120.87
Public Safety Tax revenue from developed lands	**$132,233**	**$264,466**	**$396,699**	**$528,932**
Balance of vacant acreage at phase buildout	3,282.00	2,188.00	1,094.00	0.00
Safety Tax Rate (per vacant acre)	$8.57	$8.57	$8.57	$8.57
Public Safety Tax revenue from vacant lands	**$28,127**	**$18,751**	**$9,376**	**$0**
Total revenue from safety tax at phase buildout	**$160,360**	**$283,217**	**$406,075**	**$528,932**

1= Assumes 75% of total number of units possible at maximum permitted density

Land Use Designation: Medium Density (0-8 du/ac) ***Total No. Acres Lost to Conservation: 16 acres*** ***No. of Potential Buildout Units: 96***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	4.00	4.00	4.00	4.00
Maximum density permitted (units/acre)	8	8	8	8
Maximum potential units constructed during this phase [1]	24	24	24	24
Number of total potential units constructed at buildout	24	48	72	96
Safety Tax Rate (per unit)	$67.60	$67.60	$67.60	$67.60
Public Safety Tax revenue from developed lands	**$1,622**	**$3,245**	**$4,867**	**$6,490**
Balance of vacant acreage at phase buildout	72.00	48.00	24.00	0.00
Safety Tax Rate (per vacant acre)	$8.57	$8.57	$8.57	$8.57
Public Safety Tax revenue from vacant lands	**$617**	**$411**	**$206**	**$0**
Total revenue from safety tax at phase buildout	**$2,239**	**$3,656**	**$5,073**	**$6,490**

1= Assumes 75% of total number of units possible at maximum permitted density

Land Use Designation: High Density, Specific Plan (0-14 du/ac) Total No. Acres Lost to Conservation: 47 acres No. of Potential Buildout Units: 492	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	11.75	11.75	11.75	11.75
Maximum density permitted (units/acre)	14	14	14	14
Maximum potential units constructed during this phase [1]	123	123	123	123
Number of total potential units constructed at buildout	123	246	369	492
Safety Tax Rate (per unit)	$38.72	$38.72	$38.72	$38.72
Public Safety Tax revenue from developed lands	**$4,763**	**$9,525**	**$14,288**	**$19,050**
Balance of vacant acreage at phase buildout	369.00	246.00	123.00	0.00
Safety Tax Rate (per vacant acre)	$8.57	$8.57	$8.57	$8.57
Public Safety Tax revenue from vacant lands	**$3,162**	**$2,108**	**$1,054**	**$0**
Total revenue from safety tax at phase buildout	**$7,925**	**$11,633**	**$15,342**	**$19,050**

1= Assumes 75% of total number of units possible at maximum permitted density

Land Use Designation: Light Industrial (I-L) ***Total No. Acres Lost to Conservation: 28 acres*** ***Potential Square Feet at Buildout: 414,692***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of developable acres	7.00	7.00	7.00	7.00
Total number of acres constructed at phase buildout [1]	2.38	4.76	7.14	9.52
Safety Tax Rate (per developed acre)	$521.91	$521.91	$521.91	$521.91
Public Safety Tax revenue from developed lands	$1,242	$2,484	$3,726	$4,969
Balance of vacant acreage at phase buildout	21.00	14.00	7.00	0.00
Safety Tax Rate (per vacant acre)	$2.36	$2.36	$2.36	$2.36
Public Safety Tax revenue from vacant lands	$50	$33	$17	$0
Total revenue from safety tax at phase buildout	**$1,292**	**$2,517**	**$3,743**	**$4,969**

1= Assumes 34% building coverage

Land Use Designation: Light Industrial (LI) ***Total No. Acres Lost to Conservation: 89 acres*** ***Potential Square Feet at Buildout:1,318,124***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of developable acres	22.25	22.25	22.25	22.25
Total number of acres constructed at phase buildout[1]	7.57	15.13	22.70	30.26
Safety Tax Rate (per developed acre)	$521.91	$521.91	$521.91	$521.91
Public Safety Tax revenue from developed lands	$3,948	$7,897	$11,845	$15,793
Balance of vacant acreage at phase buildout	66.75	44.50	22.25	0.00
Safety Tax Rate (per acre)	$2.36	$2.36	$2.36	$2.36
Public Safety Tax revenue from vacant lands	$158	$105	$53	$0
Total revenue from safety tax at phase buildout	**$4,106**	**$8,002**	**$11,898**	$15,793

1= Assume 34% building coverage

Public Safety Tax Revenue Summary Table
(Desert Hot Springs Only)

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total tax revenue from residential development	$211,861	$371,511	$531,163	$690,815
Total tax revenue from industrial development	$5,398	$10,519	$15,641	$20,762
Total Public Safety tax revenue from all development	**$217,259**	**$382,030**	**$546,804**	**$711,577**

TUMF Revenue from Residential Development

Land Use Designation: Rural Desert (0-1 du/10 ac) ***Total No. Acres Lost to Conservation: 936 acres*** ***No. of Potential Buildout Units: 72***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	234	234	234	234
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase [1]	18	18	18	18
TUMF fee rate (per dwelling unit)	$1,837	$1,837	$1,837	$1,837
TUMF fee collected	$33,074	$33,074	$33,074	$33,074

1= Assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Residential Estates (0-1 du/10 ac) ***Total No. Acres Lost to Conservation: 233 acres*** ***No. of Potential Buildout Units: 16***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase [1]	4	4	4	4
TUMF fee rate (per dwelling unit)	$1,837	$1,837	$1,837	$1,837
TUMF fee collected	$7,350	$7,350	$7,350	$7,350

1= Assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Rural Residential (0-1 du/5ac) ***Total No. Acres Lost to Conservation: 465 acres*** ***No. of Potential Buildout Units: 68***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	116.25	116.25	116.25	116.25
Maximum density permitted (units/acre)	0.2	0.2	0.2	0.2
Maximum potential units constructed during this phase [1]	17	17	17	17
TUMF fee rate (per dwelling unit)	$1,837	$1,837	$1,837	$1,837
TUMF fee collected	$31,236	$31,236	$31,236	$31,236

1= Assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Low Density (0-5 du/ac) ***Total No. Acres Lost to Conservation: 259 acres*** ***No. of Potential Buildout Units: 972***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	64.75	64.75	64.75	64.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase [1]	243	243	243	243
TUMF fee rate (per dwelling unit)	$1,837	$1,837	$1,837	$1,837
TUMF fee collected	$446,498	$446,498	$446,498	$446,498

1= Assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Low Density, ***Specific Plan (0-5 du/ac)*** ***Total No. Acres Lost to Conservation: 1,167 acres*** ***No. of Potential Buildout Units: 4,376***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	291.75	291.75	291.75	291.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase [1]	1,094	1,094	1,094	1,094
TUMF fee rate (per dwelling unit)	$1,837	$1,837	$1,837	$1,837
TUMF fee collected	$2,010,159	$2,010,159	$2,010,159	$2,010,159

1= Assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Medium Density (0-8 du/ac) ***Total No. Acres Lost to Conservation: 16 acres*** ***No. of Potential Buildout Units: 96***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	4	4	4	4
Maximum density permitted (units/acre)	8	8	8	8
Maximum potential units constructed during this phase [1]	24	24	24	24
TUMF fee rate (per dwelling unit)	$1,837	$1,837	$1,837	$1,837
TUMF fee collected	$44,099	$44,099	$44,099	$44,099

1= Assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: High Density, Specific Plan (0-14 du/ac) Total No. Acres Lost to Conservation: 47 acres No. of Potential Buildout Units: 492	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	11.75	11.75	11.75	11.75
Maximum density permitted (units/acre)	14	14	14	14
Maximum potential units constructed during this phase [1]	123	123	123	123
TUMF fee rate (per dwelling unit)	$1,277	$1,277	$1,277	$1,277
TUMF fee collected	$157,046	$157,046	$157,046	$157,046

1= Assumes 75% of the total number of units possible, at maximum permitted density

TUMF Revenue from Industrial Development

Land Use Designation: Light Industrial (LI) ***Total No. Acres Lost to Conservation: 89 acres*** ***Potential Square Feet at Buildout:1,318,124***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	22.25	22.25	22.25	22.25
Total square feet constructed at phase buildout[1]	329,531	329,531	329,531	329,531
TUMF fee rate (per 1,000 square feet)	$1,031.56	$1,031.56	$1,031.56	$1,031.56
TUMF fee collected	$339,931	$339,931	$339,931	$339,931

1= Assumes 34% building coverage

Land Use Designation: Light Industrial (I-L) ***Total No. Acres Lost to Conservation: 28 acres*** ***Potential Square Feet at Buildout: 414,692***	**Buildout Phase**			
	Phase I (Yrs. 1-5)	**Phase II (Yrs. 6-10)**	**Phase III (Yrs. 11-15)**	**Phase IV (Yrs. 16-20)**
Number of acres developed during phase	7	7	7	7
Total square feet constructed at phase buildout	103,673	103,673	103,673	103,673
TUMF fee rate (per 1,000 square feet)	$1,032	$1,032	$1,032	$1,032
TUMF fee collected	$106,945	$106,945	$106,945	$106,945

1= Assumes 34% building coverage

TUMF Revenue Summary Table				
	Buildout Phase			
	(Yrs 1-5)	**(Yrs 6-10)**	**(Yrs 11-15)**	**(Yrs 16-20)**
Total TUMF revenue from residential development	$2,729,462	$2,729,462	$2,729,462	$2,729,462
Total TUMF revenue from industrial development	$446,876	$446,876	$446,876	$446,876
Total TUMF revenue from all development	**$3,176,339**	**$3,176,339**	**$3,176,339**	**$3,176,339**

Sales Tax & Measure A Revenue from Single-Family Residential Development				
Land Use Designation: Rural Desert (0-1 du/10 ac)	**Buildout Phase**			
Total No. of Acres Lost to Conservation: 936	**Phase I**	**Phase II**	**Phase III**	**Phase IV**
No.of Potential Buildout Units: 72	**(Yrs 1-5)**	**(Yrs 6-10)**	**(Yrs 11-15)**	**(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	234.00	234.00	234.00	234.00
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[1]	18	18	18	18
Number of total potential units constructed at phase buildout	18	36	54	72
Calculation of Total Expendable Income at Phase Buildout				
Median housing value	$207,000	$207,000	$207,000	$207,000
Historic average mortgage lending rate	5.02%	5.02%	5.02%	5.02%
Average interest paid annually	$10,391	$10,391	$10,391	$10,391
Interest paid on 30-yr. mortgage	$311,742	$311,742	$311,742	$311,742
Total value of dwelling unit (median value + interest over 30 years)	$518,742	$518,742	$518,742	$518,742
Average monthly mortgage payment	$1,441	$1,441	$1,441	$1,441
Average monthly household income (assumes monthly mortgage payment is 30% of monthly income)	$4,803	$4,803	$4,803	$4,803
Average annual household income	$57,638	$57,638	$57,638	$57,638
Average annual expendable income per household (assumes expendable income is 19% of net household income)	$10,951	$10,951	$10,951	$10,951
Annual expendable income for all dwelling units at phase buildout	$197,122	$394,244	$591,366	$788,488
Allocation of Income Spent Within City vs. Outside City				
Percent expendable income to be spent within City	70%	70%	70%	70%
Percent expendable income to be spent outside City	30%	30%	30%	30%
Amount spent within City annually	$137,985	$275,971	$413,956	$551,941
Amount spent outside City annually	$59,137	$118,273	$177,410	$236,546
Calculation of Sales Tax Revenues				
City's sales tax rate	1%	1%	1%	1%
Annual sales tax revenue collected by City at phase buildout	$1,380	$2,760	$4,140	$5,519
Calculation of Measure A Revenues				
Measure A tax rate	0.50%	0.50%	0.50%	0.50%
Annual Measure A revenue collected in City at phase buildout	$690	$1,380	$2,070	$2,760
Percent allocated to Coachella Valley	24.0%	24.0%	24.0%	24.0%
Annual amount allocated to Coachella Valley	$166	$331	$497	$662
Percent allocated to Streets/Roads Program	35%	35%	35%	35%
Annual amount allocated to Streets/Roads Program	$58	$116	$174	$232
Percent allocated to this jurisdiction	3.0%	3.0%	3.0%	3.0%
Annual amount allocated to this jurisdiction	$1.74	$3.48	$5.22	$6.95

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Residential Estates (0-1 du/10 ac) *Total No. of Acres Lost to Conservation: 233* *No.of Potential Buildout Units: 16*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[1]	4	4	4	4
Number of total potential units constructed at phase buildout	4	8	12	16
Calculation of Total Expendable Income at Phase Buildout				
Median housing value	$207,000	$207,000	$207,000	$207,000
Historic average mortgage lending rate	5.02%	5.02%	5.02%	5.02%
Average interest paid annually	$10,391	$10,391	$10,391	$10,391
Interest paid on 30-yr. mortgage	$311,742	$311,742	$311,742	$311,742
Total value of dwelling unit (median value + interest over 30 years)	$518,742	$518,742	$518,742	$518,742
Average monthly mortgage payment	$1,441	$1,441	$1,441	$1,441
Average monthly household income (assumes monthly mortgage payment is 30% of monthly income)	$4,803	$4,803	$4,803	$4,803
Average annual household income	$57,638	$57,638	$57,638	$57,638
Average annual expendable income per household (assumes expendable income is 19% of net household income)	$10,951	$10,951	$10,951	$10,951
Annual expendable income for all dwelling units at phase buildout	$43,805	$87,610	$131,415	$175,220
Allocation of Income Spent Within City vs. Outside City				
Percent expendable income to be spent within City	70%	70%	70%	70%
Percent expendable income to be spent outside City	30%	30%	30%	30%
Amount spent within City annually	$30,663	$61,327	$91,990	$122,654
Amount spent outside City annually	$13,141	$26,283	$39,424	$52,566
Calculation of Sales Tax Revenues				
City's sales tax rate	1%	1%	1%	1%
Annual sales tax revenue collected by City at phase buildout	$307	$613	$920	$1,227
Calculation of Measure A Revenues				
Measure A tax rate	0.50%	0.50%	0.50%	0.50%
Annual Measure A revenue collected in City at phase buildout	$153	$307	$460	$613
Percent allocated to Coachella Valley	24.0%	24.0%	24.0%	24.0%
Annual amount allocated to Coachella Valley	$37	$74	$110	$147
Percent allocated to Streets/Roads Program	35%	35%	35%	35%
Annual amount allocated to Streets/Roads Program	$13	$26	$39	$52
*Percent allocated to this jurisdiction	3.0%	3.0%	3.0%	3.0%
Annual amount allocated to this jurisdiction	$0.39	$0.77	$1.16	$1.55

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Rural Residential (0-1 du/5ac) *Total No. of Acres Lost to Conservation: 465* *No.of Potential Buildout Units: 68*	**Buildout Phase** **Phase I** **(Yrs 1-5)**	**Phase II** **(Yrs 6-10)**	**Phase III** **(Yrs 11-15)**	**Phase IV** **(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	116.25	116.25	116.25	116.25
Maximum density permitted (units/acre)	0.20	0.20	0.20	0.20
Maximum potential units constructed during this phase[1]	17	17	17	17
Number of total potential units constructed at phase buildout	17	34	51	68
Calculation of Total Expendable Income at Phase Buildout				
Median housing value	$207,000	$207,000	$207,000	$207,000
Historic average mortgage lending rate	5.02%	5.02%	5.02%	5.02%
Average interest paid annually	$10,391	$10,391	$10,391	$10,391
Interest paid on 30-yr. mortgage	$311,742	$311,742	$311,742	$311,742
Total value of dwelling unit (median value + interest over 30 years)	$518,742	$518,742	$518,742	$518,742
Average monthly mortgage payment	$1,441	$1,441	$1,441	$1,441
Average monthly household income (assumes monthly mortgage payment is 30% of monthly income)	$4,803	$4,803	$4,803	$4,803
Average annual household income	$57,638	$57,638	$57,638	$57,638
Average annual expendable income per household (assumes expendable income is 19% of net household income)	$10,951	$10,951	$10,951	$10,951
Annual expendable income for all dwelling units at phase buildout	$186,171	$372,341	$558,512	$744,683
Allocation of Income Spent Within City vs. Outside City				
Percent expendable income to be spent within City	70%	70%	70%	70%
Percent expendable income to be spent outside City	30%	30%	30%	30%
Amount spent within City annually	$130,320	$260,639	$390,959	$521,278
Amount spent outside City annually	$55,851	$111,702	$167,554	$223,405
Calculation of Sales Tax Revenues				
City's sales tax rate	1%	1%	1%	1%
Annual sales tax revenue collected by City at phase buildout	$1,303	$2,606	$3,910	$5,213
Calculation of Measure A Revenues				
Measure A tax rate	0.50%	0.50%	0.50%	0.50%
Annual Measure A Revenue Collected in City at phase buildout	$652	$1,303	$1,955	$2,606
Percent allocated to Coachella Valley	24.0%	24.0%	24.0%	24.0%
Annual amount allocated to Coachella Valley	$156	$313	$469	$626
Percent allocated to Streets/Roads Program	35%	35%	35%	35%
Annual amount allocated to Streets/Roads Program	$55	$109	$164	$219
Percent allocated to this jurisdiction	3.0%	3.0%	3.0%	3.0%
Annual amount allocated to this jurisdiction	$1.64	$3.28	$4.93	$6.57

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Low Density (0-5 du/ac) *Total No. of Acres Lost to Conservation: 259* *No.of Potential Buildout Units: 972*	**Buildout Phase** **Phase I** **(Yrs 1-5)**	 **Phase II** **(Yrs 6-10)**	 **Phase III** **(Yrs 11-15)**	 **Phase IV** **(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	64.75	64.75	64.75	64.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase[1]	243	243	243	243
Number of total potential units constructed at phase buildout	243	486	729	972
Calculation of Total Expendable Income at Phase Buildout				
Median housing value	$207,000	$207,000	$207,000	$207,000
Historic average mortgage lending rate	5.02%	5.02%	5.02%	5.02%
Average interest paid annually	$10,391	$10,391	$10,391	$10,391
Interest paid on 30-yr. mortgage	$311,742	$311,742	$311,742	$311,742
Total value of dwelling unit (median value + interest over 30 years)	$518,742	$518,742	$518,742	$518,742
Average monthly mortgage payment	$1,441	$1,441	$1,441	$1,441
Average monthly household income (assumes monthly mortgage payment is 30% of monthly income)	$4,803	$4,803	$4,803	$4,803
Average annual household income	$57,638	$57,638	$57,638	$57,638
Average annual expendable income per household (assumes expendable income is 19% of net household income)	$10,951	$10,951	$10,951	$10,951
Annual expendable income for all dwelling units at phase buildout	$2,661,146	$5,322,293	$7,983,439	$10,644,586
Allocation of Income Spent Within City vs. Outside City				
Percent expendable income to be spent within City	70%	70%	70%	70%
Percent expendable income to be spent outside City	30%	30%	30%	30%
Amount spent within City annually	$1,862,803	$3,725,605	$5,588,408	$7,451,210
Amount spent outside City annually	$798,344	$1,596,688	$2,395,032	$3,193,376
Calculation of Sales Tax Revenues				
City's sales tax rate	1%	1%	1%	1%
Annual sales tax revenue collected by City at phase buildout	$18,628	$37,256	$55,884	$74,512
Calculation of Measure A Revenues				
Measure A tax rate	0.50%	0.50%	0.50%	0.50%
Annual Measure A Revenue Collected in City at phase buildout	$9,314	$18,628	$27,942	$37,256
Percent allocated to Coachella Valley	24.0%	24.0%	24.0%	24.0%
Annual amount allocated to Coachella Valley	$2,235	$4,471	$6,706	$8,941
Percent allocated to Streets/Roads Program	35%	35%	35%	35%
Annual amount allocated to Streets/Roads Program	$782	$1,565	$2,347	$3,130
*Percent allocated to this jurisdiction	3.0%	3.0%	3.0%	3.0%
Annual amount allocated to this jurisdiction	$23.47	$46.94	$70.41	$93.89

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Low Density w/SP (0-5 du/ac) *Total No. of Acres Lost to Conservation: 1,167* *No.of Potential Buildout Units: 4,376*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	291.75	291.75	291.75	291.75
Maximum density permitted (units/acre)	5.0	5.0	5.0	5.0
Maximum potential units constructed during this phase[1]	1,094	1,094	1,094	1,094
Number of total potential units constructed at phase buildout	1,094	2,188	3,282	4,376
Calculation of Total Expendable Income at Phase Buildout				
Median housing value	$207,000	$207,000	$207,000	$207,000
Historic average mortgage lending rate	5.02%	5.02%	5.02%	5.02%
Average interest paid annually	$10,391	$10,391	$10,391	$10,391
Interest paid on 30-yr. mortgage	$311,742	$311,742	$311,742	$311,742
Total value of dwelling unit (median value + interest over 30 years)	$518,742	$518,742	$518,742	$518,742
Average monthly mortgage payment	$1,441	$1,441	$1,441	$1,441
Average monthly household income (assumes monthly mortgage payment is 30% of monthly income)	$4,803	$4,803	$4,803	$4,803
Average annual household income	$57,638	$57,638	$57,638	$57,638
Average annual expendable income per household (assumes expendable income is 19% of net household income)	$10,951	$10,951	$10,951	$10,951
Annual expendable income for all dwelling units at phase buildout	$11,980,635	$23,961,269	$35,941,904	$47,922,539
Allocation of Income Spent Within City vs. Outside City				
Percent expendable income to be spent within City	70%	70%	70%	70%
Percent expendable income to be spent outside City	30%	30%	30%	30%
Amount spent within City annually	$8,386,444	$16,772,889	$25,159,333	$33,545,777
Amount spent outside City annually	$3,594,190	$7,188,381	$10,782,571	$14,376,762
Calculation of Sales Tax Revenues				
City's sales tax rate	1%	1%	1%	1%
Annual sales tax revenue collected by City at phase buildout	$83,864	$167,729	$251,593	$335,458
Calculation of Measure A Revenues				
Measure A Tax Rate	0.50%	0.50%	0.50%	0.50%
Annual Measure A Revenue Collected in City at Phase Buildout	$41,932	$83,864	$125,797	$167,729
Percent allocated to Coachella Valley	24.0%	24.0%	24.0%	24.0%
Annual amount allocated to Coachella Valley	$10,064	$20,127	$30,191	$40,255
Percent allocated to Streets/Roads Program	35%	35%	35%	35%
Annual amount allocated to Streets/Roads Program	$3,522	$7,045	$10,567	$14,089
Percent allocated to this jurisdiction	3.0%	3.0%	3.0%	3.0%
Annual amount allocated to this jurisdiction	$105.67	$211.34	$317.01	$422.68

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Medium Density (0-8 du/ac) *Total No. of Acres Lost to Conservation: 16 acres* *No.of Potential Buildout Units: 96*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	4.00	4.00	4.00	4.00
Maximum density permitted (units/acre)	8	8	8	8
Maximum potential units constructed during this phase[1]	24	24	24	24
Number of total potential units constructed at phase buildout	24	48	72	96
Calculation of Total Expendable Income at Phase Buildout				
Median housing value	$98,490	$98,490	$98,490	$98,490
Historic average mortgage lending rate	5.02%	5.02%	5.02%	5.02%
Average interest paid annually	$4,944	$4,944	$4,944	$4,944
Interest paid on 30-yr. mortgage	$148,326	$148,326	$148,326	$148,326
Total value of dwelling unit (median value + interest over 30 years)	$246,816	$246,816	$246,816	$246,816
Average monthly mortgage payment	$686	$686	$686	$686
Average monthly household income (assumes monthly mortgage payment is 30% of monthly income)	$2,285	$2,285	$2,285	$2,285
Average annual household income	$27,424	$27,424	$27,424	$27,424
Average annual expendable income per household	$5,211	$5,211	$5,211	$5,211
Annual expendable income for all dwelling units at phase buildout	$125,053	$250,107	$375,160	$500,214
Allocation of Income Spent Within City vs. Outside City				
Percent expendable income to be spent within City	70%	70%	70%	70%
Percent expendable income to be spent outside City	30%	30%	30%	30%
Amount spent within City annually	$87,537	$175,075	$262,612	$350,150
Amount spent outside City annually	$37,516	$75,032	$112,548	$150,064
Calculation of Sales Tax Revenues				
City's sales tax rate	1%	1%	1%	1%
Annual sales tax revenue collected by City at phase buildout	$875	$1,751	$2,626	$3,501
Calculation of Measure A Revenues				
Measure A Tax Rate	0.50%	0.50%	0.50%	0.50%
Annual Measure A Revenue Collected in City at Phase Buildout	$438	$875	$1,313	$1,751
Percent allocated to Coachella Valley	24.0%	24.0%	24.0%	24.0%
Annual amount allocated to Coachella Valley	$105	$210	$315	$420
Percent allocated to Streets/Roads Program	35%	35%	35%	35%
Annual amount allocated to Streets/Roads Program	$37	$74	$110	$147
Percent allocated to this jurisdiction	3.0%	3.0%	3.0%	3.0%
Annual amount allocated to this jurisdiction	$1.10	$2.21	$3.31	$4.41

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: High Density w/SP(0-14 du/ac) *Total No. Acres Lost to Conservation: 47 acres* *No. of Potential Buildout Units: 492*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	11.75	11.75	11.75	11.75
Maximum density permitted (units/acre)	14	14	14	14
Maximum potential units constructed during this phase[1]	123	123	123	123
Number of potential units constructed at phase buildout	123	246	369	492
Calculation of Total Expendable Income at Phase Buildout				
Average monthly apartment rental rate	$768	$768	$768	$768
Average monthly household income (assumes monthly rental payment is 30% of monthly income)	$2,560	$2,560	$2,560	$2,560
Average annual household income	$30,720	$30,720	$30,720	$30,720
Average annual expendable income per household (assumes expendable income is 19% of net household income)	$5,837	$5,837	$5,837	$5,837
Annual expendable income for all dwelling units at phase buildout	$717,926	$1,435,853	$2,153,779	$2,871,706
Allocation of Income Spent Within City vs. Outside City				
Percent expendable income to be spent within City	70%	70%	70%	70%
Percent expendable income to be spent outside City	30%	30%	30%	30%
Amount spent within City annually	$502,548	$1,005,097	$1,507,645	$2,010,194
Amount spent outside City annually	$215,378	$430,756	$646,134	$861,512
Calculation of Sales Tax Revenues				
City's sales tax rate	1%	1%	1%	1%
Annual sales tax revenue collected by City at phase buildout	$5,025	$10,051	$15,076	$20,102
Calculation of Measure A Revenues				
Measure A Tax Rate	0.50%	0.50%	0.50%	0.50%
Annual Measure A Revenue Collected in City at Phase Buildout	$2,513	$5,025	$7,538	$10,051
Percent allocated to Coachella Valley	24.0%	24.0%	24.0%	24.0%
Annual amount allocated to Coachella Valley	$603	$1,206	$1,809	$2,412
Percent allocated to Streets/Roads Program	35%	35%	35%	35%
Annual amount allocated to Streets/Roads Program	$211	$422	$633	$844
Percent allocated to this jurisdiction	3.0%	3.0%	3.0%	3.0%
Annual amount allocated to this jurisdiction	$6.33	$12.66	$19.00	$25.33

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Summary Table

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total sales tax revenue from single-family residential development	$106,358	$212,715	$319,073	$425,430
Total sales tax revenue from multi-family residential development	$5,025	$10,051	$15,076	$20,102
Total sales tax revenue from all development	**$111,383**	**$222,766**	**$334,149**	**$445,532**

Measure A Revenue

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total Measure A revenue from single-family resid. development	$134	$268	$402	$536
Total Measure A revenue from multi-family resid. development	$6	$13	$19	$25
Total Measure A revenue from all development	**$140**	**$281**	**$421**	**$561**

Utility Tax Revenue (Desert Hot Springs only)				
Land Use Designation: Rural Desert (0-1 du/10 ac)	**Buildout Phase**			
Total No. of Acres Lost to Conservation: 936	**Phase I**	**Phase II**	**Phase III**	**Phase IV**
No.of Potential Buildout Units: 72	**(Yrs 1-5)**	**(Yrs 6-10)**	**(Yrs 11-15)**	**(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	234.00	234.00	234.00	234.00
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[a]	18	18	18	18
Number of potential units constructed at phase buildout	18	36	54	72
Calculation of Utility Tax Revenue				
City's total annual Utility Tax revenue (FY 09-10)	$2,529,180	$2,529,180	$2,529,180	$2,529,180
Total no. of occupied dwelling units in City (2010 per CA DOF)	9,223	9,223	9,223	9,223
Annual utility tax per dwelling unit	$274	$274	$274	$274
Annual Utility Tax revenue at phase buildout	$4,936.06	$9,872	$14,808	$19,744
Land Use Designation: Residential Estates (0-1 du/10 ac)	**Buildout Phase**			
Total No. of Acres Lost to Conservation: 233	**Phase I**	**Phase II**	**Phase III**	**Phase IV**
No.of Potential Buildout Units: 16	**(Yrs 1-5)**	**(Yrs 6-10)**	**(Yrs 11-15)**	**(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[a]	4	4	4	4
Number of potential units constructed at phase buildout	4	8	12	16
Calculation of Utility Tax Revenue				
City's total annual Utility Tax revenue (FY 09-10)	$2,529,180	$2,529,180	$2,529,180	$2,529,180
Total no. of occupied dwelling units in City (2010 per CA DOF)	9,223	9,223	9,223	9,223
Annual utility tax per dwelling unit	$274	$274	$274	$274
Annual Utility Tax revenue at phase buildout	$1,097	$2,194	$3,291	$4,388

Land Use Designation: Rural Residential (0-1 du/5ac) *Total No. of Acres Lost to Conservation: 465* *No.of Potential Buildout Units: 68*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	116.25	116.25	116.25	116.25
Maximum density permitted (units/acre)	0.2	0.2	0.2	0.2
Maximum potential units constructed during this phase[a]	17	17	17	17
Number of potential units constructed at phase buildout	17	34	51	68
Calculation of Utility Tax Revenue				
City's total annual Utility Tax revenue (FY 09-10)	$2,529,180	$2,529,180	$2,529,180	$2,529,180
Total no. of occupied dwelling units in City (2010 per CA DOF)	9,223	9,223	9,223	9,223
Annual utility tax per dwelling unit	$274	$274	$274	$274
Annual Utility Tax revenue at phase buildout	$4,662	$9,324	$13,985	$18,647

Land Use Designation: Low Density (0-5 du/ac) *Total No. of Acres Lost to Conservation: 259* *No.of Potential Buildout Units: 972*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	64.75	64.75	64.75	64.75
Maximum density permitted (units/acre)	5.0	5.0	5.0	5.0
Maximum potential units constructed during this phase[a]	243	243	243	243
Number of potential units constructed at phase buildout	243	486	729	972
Calculation of Utility Tax Revenue				
City's total annual Utility Tax revenue (FY 09-10)	$2,529,180	$2,529,180	$2,529,180	$2,529,180
Total no. of occupied dwelling units in City (2010 per CA DOF)	9,223	9,223	9,223	9,223
Annual utility tax per dwelling unit	$274	$274	$274	$274
Annual Utility Tax revenue at phase buildout	$66,637	$133,274	$199,910	$266,547

Land Use Designation: Low Density w/SP (0-5 du/ac) *Total No. of Acres Lost to Conservation: 1,167* *No.of Potential Buildout Units: 4,376*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	291.75	291.75	291.75	291.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase[a]	1,094	1,094	1,094	1,094
Number of potential units constructed at phase buildout	1,094	2,188	3,282	4,376
Calculation of Utility Tax Revenue				
City's total annual Utility Tax revenue (FY 09-10)	$2,529,180	$2,529,180	$2,529,180	$2,529,180
Total no. of occupied dwelling units in City (2010 per CA DOF)	9,223	9,223	9,223	9,223
Annual utility tax per dwelling unit	$274	$274	$274	$274
Annual Utility Tax revenue at phase buildout	$300,003	$600,005	$900,008	$1,200,010

Land Use Designation: Medium Density (0-8 du/ac) *Total No. of Acres Lost to Conservation: 16 acres* *No.of Potential Buildout Units: 96*	**Buildout Phase**			
	(Yrs 1-5)	**(Yrs 6-10)**	**(Yrs 11-15)**	**(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	4.00	4.00	4.00	4.00
Maximum density permitted (units/acre)	8	8	8	8
Maximum potential units constructed during this phase[a]	24	24	24	24
Number of potential units constructed at phase buildout	24	48	72	96
Calculation of Utility Tax Revenue				
City's total annual Utility Tax revenue (FY 09-10)	$2,529,180	$2,529,180	$2,529,180	$2,529,180
Total no. of occupied dwelling units in City (2010 per CA DOF)	9,223	9,223	9,223	9,223
Annual utility tax per dwelling unit	$274	$274	$274	$274
Annual Utility Tax revenue at phase buildout	$6,581	$13,163	$19,744	$26,326

Land Use Designation: High Density w/SP(0-14 du/ac) *Total No. Acres Lost to Conservation: 47 acres* *No. of Potential Buildout Units: 492*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	11.75	11.75	11.75	11.75
Maximum density permitted (units/acre)	14	14	14	14
Maximum potential units constructed during this phase[a]	123	123	123	123
Number of potential units constructed at phase buildout	123	246	369	492
Calculation of Utility Tax Revenue				
City's total annual Utility Tax revenue (FY 09-10)	$2,529,180	$2,529,180	$2,529,180	$2,529,180
Total no. of occupied dwelling units in City (2010 per CA DOF)	9,223	9,223	9,223	9,223
Annual utility tax per dwelling unit	$274	$274	$274	$274
Annual Utility Tax revenue at phase buildout	$33,730	$67,459	$101,189	$134,919

Utility Tax Revenue (Desert Hot Springs only)

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total Utility Tax Revenue from all development	**$417,645**	**$835,290**	**$1,252,936**	**$1,670,581**

Motor Vehicle In-Lieu Revenue				
Land Use Designation: Rural Desert (0-1 du/10 ac)	**Buildout Phase**			
Total No. of Acres Lost to Conservation: 936	**Phase I**	**Phase II**	**Phase III**	**Phase IV**
No.of Potential Buildout Units: 72	**(Yrs 1-5)**	**(Yrs 6-10)**	**(Yrs 11-15)**	**(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	234.00	234.00	234.00	234.00
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[2]	18	18	18	18
Number of total potential units constructed at phase buildout	18	36	54	72
Calculation of Annual Motor Vehicle In-Lieu Revenue				
Average No. of Persons Per Household	2.880	2.880	2.880	2.880
Potential Population at Phase Buildout	52	104	156	207
Anticipated Annual Per Capita Revenue[1]	$2.94	$2.94	$2.94	$2.94
Annual Motor Vehicle In-Lieu Revenue at phase buildout	$152	$305	$457	$610

[1] = data from "State of California Shared Revenue Estimates, Fiscal Year 2009-2010," prepared by State Controller's Office

[2] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Residential Estates (0-1 du/10 ac) *Total No. of Acres Lost to Conservation: 233* *No.of Potential Buildout Units: 16*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[2]	4	4	4	4
Number of total potential units constructed at phase buildout	4	8	12	16
Calculation of Annual Motor Vehicle In-Lieu Revenue				
Average No. of Persons Per Household	2.880	2.880	2.880	2.880
Potential Population at Phase Buildout	12	23	35	46
Anticipated Annual Per Capita Revenue[1]	$2.94	$2.94	$2.94	$2.94
Annual Motor Vehicle In-Lieu Revenue at phase buildout	$34	$68	$102	$135

[1] = data from "State of California Shared Revenue Estimates, Fiscal Year 2009-2010," prepared by State Controller's Office

[2] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Rural Residential (0-1 du/5ac) *Total No. of Acres Lost to Conservation: 465* *No.of Potential Buildout Units: 68*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	116.25	116.25	116.25	116.25
Maximum density permitted (units/acre)	0.2	0.2	0.2	0.2
Maximum potential units constructed during this phase[2]	17	17	17	17
Number of total potential units constructed at phase buildout	17	34	51	68
Calculation of Annual Motor Vehicle In-Lieu Revenue				
Average No. of Persons Per Household	2.880	2.880	2.880	2.880
Potential Population at Phase Buildout	49	98	147	196
Anticipated Annual Per Capita Revenue[1]	$2.94	$2.94	$2.94	$2.94
Annual Motor Vehicle In-Lieu Revenue at phase buildout	$144	$288	$432	$576

[1] = data from "State of California Shared Revenue Estimates, Fiscal Year 2009-2010," prepared by State Controller's Office
[2] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Low Density (0-5 du/ac) *Total No. of Acres Lost to Conservation: 259* *No.of Potential Buildout Units: 972*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	64.75	64.75	64.75	64.75
Maximum density permitted (units/acre)	5.0	5.0	5.0	5.0
Maximum potential units constructed during this phase[2]	243	243	243	243
Number of total potential units constructed at phase buildout	243	486	729	972
Calculation of Annual Motor Vehicle In-Lieu Revenue				
Average No. of Persons Per Household	2.880	2.880	2.880	2.880
Potential Population at Phase Buildout	700	1,400	2,100	2,799
Anticipated Annual Per Capita Revenue[1]	$2.94	$2.94	$2.94	$2.94
Annual Motor Vehicle In-Lieu Revenue at phase buildout	$2,058	$4,115	$6,173	$8,230

[1] = data from "State of California Shared Revenue Estimates, Fiscal Year 2009-2010," prepared by State Controller's Office
[2] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Low Density w/SP (0-5 du/ac) *Total No. of Acres Lost to Conservation: 1,167* *No.of Potential Buildout Units: 4,376*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	291.75	291.75	291.75	291.75
Maximum density permitted (units/acre)	5.0	5.0	5.0	5.0
Maximum potential units constructed during this phase[2]	1,094	1,094	1,094	1,094
Number of total potential units constructed at phase buildout	1,094	2,188	3,282	4,376
Calculation of Annual Motor Vehicle In-Lieu Revenue				
Average No. of Persons Per Household	2.880	2.880	2.880	2.880
Potential Population at Phase Buildout	3,151	6,301	9,452	12,603
Anticipated Annual Per Capita Revenue[1]	$2.94	$2.94	$2.94	$2.94
Annual Motor Vehicle In-Lieu Revenue at phase buildout	$9,263	$18,526	$27,789	$37,052

[1] = data from "State of California Shared Revenue Estimates, Fiscal Year 2009-2010," prepared by State Controller's Office

[2] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Medium Density (0-8 du/ac) *Total No. of Acres Lost to Conservation: 16 acres* *No.of Potential Buildout Units: 96*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	4.00	4.00	4.00	4.00
Maximum density permitted (units/acre)	8.0	8.0	8.0	8.0
Maximum potential units constructed during this phase[2]	24	24	24	24
Number of total potential units constructed at phase buildout	24	48	72	96
Calculation of Annual Motor Vehicle In-Lieu Revenue				
Average No. of Persons Per Household	2.880	2.880	2.880	2.880
Potential Population at Phase Buildout	69	138	207	276
Anticipated Annual Per Capita Revenue[1]	$2.94	$2.94	$2.94	$2.94
Annual Motor Vehicle In-Lieu Revenue at phase buildout	$203	$406	$610	$813

[1] = data from "State of California Shared Revenue Estimates, Fiscal Year 2009-2010," prepared by State Controller's Office
[2] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: High Density w/SP(0-14 du/ac) *Total No. Acres Lost to Conservation: 47 acres* *No. of Potential Buildout Units: 492*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	11.75	11.75	11.75	11.75
Maximum density permitted (units/acre)	14.0	14.0	14.0	14.0
Maximum potential units constructed during this phase[2]	123	123	123	123
Number of total potential units constructed at phase buildout	123	246	369	492
Calculation of Annual Motor Vehicle In-Lieu Revenue				
Average No. of Persons Per Household	2.880	2.880	2.880	2.880
Potential Population at Phase Buildout	354	708	1,063	1,417
Anticipated Annual Per Capita Revenue[1]	$2.94	$2.94	$2.94	$2.94
Annual Motor Vehicle In-Lieu Revenue at phase buildout	$1,041	$2,083	$3,124	$4,166

[1] = data from "State of California Shared Revenue Estimates, Fiscal Year 2009-2010," prepared by State Controller's Office
[2] = assumes 75% of the total number of units possible, at maximum permitted density

Motor Vehicle In-Lieu Revenue				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total Motor Vehicle In-Lieu Revenue from all development	$12,896	$25,791	$38,687	$51,582

Highway Users Gas Tax Revenue				
Land Use Designation: Rural Desert (0-1 du/10 ac)	**Buildout Phase**			
Total No. of Acres Lost to Conservation: 936	**Phase I**	**Phase II**	**Phase III**	**Phase IV**
No.of Potential Buildout Units: 72	**(Yrs 1-5)**	**(Yrs 6-10)**	**(Yrs 11-15)**	**(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	234.00	234.00	234.00	234.00
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[1]	18	18	18	18
Number of total potential units constructed at phase buildout	18	36	54	72
Calculation of Annual Gas Tax Revenue				
Average no. persons per household	2.880	2.880	2.880	2.880
Potential population at phase buildout	52	104	156	207
Estimated annual per capita gas tax revenue[2]	$16.15	$16.15	$16.15	$16.15
Annual gas tax revenue at phase buildout	$837	$1,674	$2,512	$3,349

[1] = assumes 75% of the total number of units possible, at maximum permitted density

[2] = data from Fiscal Year 2009-2010, California State Controller's Office

Land Use Designation: Residential Estates (0-1 du/10 ac) *Total No. of Acres Lost to Conservation: 233* *No.of Potential Buildout Units: 16*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[1]	4	4	4	4
Number of total potential units constructed at phase buildout	4	8	12	16
Calculation of Annual Gas Tax Revenue				
Average no. persons per household	2.880	2.880	2.880	2.880
Potential population at phase buildout	12	23	35	46
Estimated annual per capita gas tax revenue[2]	$16.15	$16.15	$16.15	$16.15
Annual gas tax revenue at phase buildout	$186	$372	$558	$744

"1 = assumes 75% of the total number of units possible, at maximum permitted density

2 = data from Fiscal Year 2009-2010, California State Controller's Office"

Land Use Designation: Rural Residential (0-1 du/5ac) *Total No. of Acres Lost to Conservation: 465* *No.of Potential Buildout Units: 68*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	116.25	116.25	116.25	116.25
Maximum density permitted (units/acre)	0.2	0.2	0.2	0.2
Maximum potential units constructed during this phase[1]	17	17	17	17
Number of total potential units constructed at phase buildout	17	34	51	68
Calculation of Annual Gas Tax Revenue				
Average no. persons per household	2.880	2.880	2.880	2.880
Potential population at phase buildout	49	98	147	196
Estimated annual per capita gas tax revenue[2]	$16.15	$16.15	$16.15	$16.15
Annual gas tax revenue at phase buildout	$791	$1,581	$2,372	$3,163

"1 = assumes 75% of the total number of units possible, at maximum permitted density

2 = data from Fiscal Year 2009-2010, California State Controller's Office"

Land Use Designation: Low Density (0-5 du/ac) *Total No. of Acres Lost to Conservation: 259* *No.of Potential Buildout Units: 972*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	64.75	64.75	64.75	64.75
Maximum density permitted (units/acre)	5.0	5.0	5.0	5.0
Maximum potential units constructed during this phase[1]	243	243	243	243
Number of total potential units constructed at phase buildout	243	486	729	972
Calculation of Annual Gas Tax Revenue				
Average no. persons per household	2.880	2.880	2.880	2.880
Potential population at phase buildout	700	1,400	2,100	2,799
Estimated annual per capita gas tax revenue[2]	$16.15	$16.15	$16.15	$16.15
Annual gas tax revenue at phase buildout	$11,302	$22,605	$33,907	$45,210

"1 = assumes 75% of the total number of units possible, at maximum permitted density

2 = data from Fiscal Year 2009-2010, California State Controller's Office"

Land Use Designation: Low Density w/SP (0-5 du/ac) *Total No. of Acres Lost to Conservation: 1,167* *No.of Potential Buildout Units: 4,376*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	291.75	291.75	291.75	291.75
Maximum density permitted (units/acre)	5.0	5.0	5.0	5.0
Maximum potential units constructed during this phase[1]	1,094	1,094	1,094	1,094
Number of total potential units constructed at phase buildout	1,094	2,188	3,282	4,376
Calculation of Annual Gas Tax Revenue				
Average no. persons per household	2.880	2.880	2.880	2.880
Potential population at phase buildout	3,151	6,301	9,452	12,603
Estimated annual per capita gas tax revenue[2]	$16.15	$16.15	$16.15	$16.15
Annual gas tax revenue at phase buildout	$50,884	$101,768	$152,652	$203,537

"1 = assumes 75% of the total number of units possible, at maximum permitted density

2 = data from Fiscal Year 2009-2010, California State Controller's Office"

Land Use Designation: Medium Density (0-8 du/ac) *Total No. of Acres Lost to Conservation: 16 acres* *No.of Potential Buildout Units: 96*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	4.00	4.00	4.00	4.00
Maximum density permitted (units/acre)	8.0	8.0	8.0	8.0
Maximum potential units constructed during this phase[1]	24	24	24	24
Number of total potential units constructed at phase buildout	24	48	72	96
Calculation of Annual Gas Tax Revenue				
Average no. persons per household	2.880	2.880	2.880	2.880
Potential population at phase buildout	69	138	207	276
Estimated annual per capita gas tax revenue[2]	$16.15	$16.15	$16.15	$16.15
Annual gas tax revenue at phase buildout	$1,116	$2,233	$3,349	$4,465

"1 = assumes 75% of the total number of units possible, at maximum permitted density

2 = data from Fiscal Year 2009-2010, California State Controller's Office"

Land Use Designation: High Density w/SP(0-14 du/ac) *Total No. Acres Lost to Conservation: 47 acres* *No. of Potential Buildout Units: 492*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	11.75	11.75	11.75	11.75
Maximum density permitted (units/acre)	14.0	14.0	14.0	14.0
Maximum potential units constructed during this phase[1]	123	123	123	123
Number of total potential units constructed at phase buildout	123	246	369	492
Calculation of Annual Gas Tax Revenue				
Average no. persons per household	2.880	2.880	2.880	2.880
Potential population at phase buildout	354	708	1,063	1,417
Estimated annual per capita gas tax revenue[2]	$16.15	$16.15	$16.15	$16.15
Annual gas tax revenue at phase buildout	$5,721	$11,442	$17,163	$22,884

"1 = assumes 75% of the total number of units possible, at maximum permitted density 2 = data from Fiscal Year 2009-2010, California State Controller's Office"

Highway User Gas Tax Revenue				
	Buildout Phase			
	Phase I (Yrs 1-5)	Phase II (Yrs 6-10)	Phase III (Yrs 11-15)	Phase IV (Yrs 16-20)
Total Gas Tax Revenue from all development	**$70,838**	**$141,676**	**$212,513**	**$283,351**

CSA 152 Revenue
from Single-Family Residential Development

Land Use Designation: Rural Desert (0-1 du/10 ac) *Total No. of Acres Lost to Conservation: 936* *No.of Potential Buildout Units: 72*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	234.00	234.00	234.00	234.00
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[1]	18	18	18	18
Number of total potential units constructed at phase buildout	18	36	54	72
Calculation of CSA 152 Revenue				
BAU Value per dwelling unit	1	1	1	1
City's BAU Rate	$1.56	$1.56	$1.56	$1.56
Total Annual Revenue at Phase Buildout	$28.08	$56.16	$84.24	$112.32

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Residential Estates (0-1 du/10 ac) *Total No. of Acres Lost to Conservation: 233* *No.of Potential Buildout Units: 16*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[1]	4	4	4	4
Number of total potential units constructed at phase buildout	4	8	12	16
Calculation of CSA 152 Revenue				
BAU Value per dwelling unit	1	1	1	1
City's BAU Rate	$1.56	$1.56	$1.56	$1.56
Total Annual Revenue at Phase Buildout	$6.24	$12.48	$18.72	$24.96

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Rural Residential (0-1 du/5ac) *Total No. of Acres Lost to Conservation: 465* *No.of Potential Buildout Units: 68*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	116.25	116.25	116.25	116.25
Maximum density permitted (units/acre)	0.2	0.2	0.2	0.2
Maximum potential units constructed during this phase[1]	17	17	17	17
Number of total potential units constructed at phase buildout	17	34	51	68
Calculation of CSA 152 Revenue				
BAU Value per dwelling unit	1	1	1	1
City's BAU Rate	$1.56	$1.56	$1.56	$1.56
Total Annual Revenue at Phase Buildout	$26.52	$53.04	$79.56	$106.08

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Low Density (0-5 du/ac) *Total No. of Acres Lost to Conservation: 259* *No.of Potential Buildout Units: 972*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	64.75	64.75	64.75	64.75
Maximum density permitted (units/acre)	5.0	5.0	5.0	5.0
Maximum potential units constructed during this phase[1]	243	243	243	243
Number of total potential units constructed at phase buildout	243	486	729	972
Calculation of CSA 152 Revenue				
BAU Value per dwelling unit	1	1	1	1
City's BAU Rate	$1.56	$1.56	$1.56	$1.56
Total Annual Revenue at Phase Buildout	$379.08	$758.16	$1,137.24	$1,516.32

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Low Density w/SP (0-5 du/ac) *Total No. of Acres Lost to Conservation: 1,167* *No.of Potential Buildout Units: 4,376*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	291.75	291.75	291.75	291.75
Maximum density permitted (units/acre)	5.0	5.0	5.0	5.0
Maximum potential units constructed during this phase[1]	1,094	1,094	1,094	1,094
Number of total potential units constructed at phase buildout	1,094	2,188	3,282	4,376
Calculation of CSA 152 Revenue				
BAU Value per dwelling unit	1	1	1	1
City's BAU Rate	$1.56	$1.56	$1.56	$1.56
Total Annual Revenue at Phase Buildout	$1,706.64	$3,413.28	$5,119.92	$6,826.56

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: Medium Density (0-8 du/ac) *Total No. of Acres Lost to Conservation: 16 acres* *No.of Potential Buildout Units: 96*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	4.00	4.00	4.00	4.00
Maximum density permitted (units/acre)	8.0	8.0	8.0	8.0
Maximum potential units constructed during this phase[1]	24	24	24	24
Number of total potential units constructed at phase buildout	24	48	72	96
Calculation of CSA 152 Revenue				
BAU Value per dwelling unit	1	1	1	1
City's BAU Rate	$1.56	$1.56	$1.56	$1.56
Total Annual Revenue at Phase Buildout	$37.44	$74.88	$112.32	$149.76

[1] = assumes 75% of the total number of units possible, at maximum permitted density

Land Use Designation: High Density w/SP(0-14 du/ac) *Total No. Acres Lost to Conservation: 47 acres* *No. of Potential Buildout Units: 492*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	11.75	11.75	11.75	11.75
Maximum density permitted (units/acre)	14.0	14.0	14.0	14.0
Maximum potential units constructed during this phase[1]	123	123	123	123
Number of total potential units constructed at phase buildout	123	246	369	492
Calculation of CSA 152 Revenue				
BAU Value per dwelling unit	1	1	1	1
City's BAU Rate	$1.56	$1.56	$1.56	$1.56
Total Annual Revenue at Phase Buildout	$191.88	$383.76	$575.64	$767.52

[1] = assumes 75% of the total number of units possible, at maximum permitted density

CSA 152 Revenue from Industrial Development				
Land Use Designation: Light Industrial (I-L)	**Buildout Phase**			
Total No. Acres Lost to Conservation: 28acres	**Phase I**	**Phase II**	**Phase III**	**Phase IV**
Potential Square Feet at Buildout: 414,692	**(Yrs 1-5)**	**(Yrs 6-10)**	**(Yrs 11-15)**	**(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	7.00	7.00	7.00	7.00
Percentage of acres developed (percent lot coverage)	75%	75%	75%	75%
Number of acres developed at phase buildout	5.25	10.50	15.75	21.00
Calculation of CSA 152 Revenue				
BAU Value per developed acre	12	12	12	12
City's BAU Rate	$1.56	$1.56	$1.56	$1.56
Total Annual Revenue at Phase Buildout	$98	$197	$295	$393

Land Use Designation: Light Industrial (LI)	**Buildout Phase**			
Total No. Acres Lost to Conservation: 89	**Phase I**	**Phase II**	**Phase III**	**Phase IV**
Potential Square Feet at Buildout: 1,318,124	**(Yrs 1-5)**	**(Yrs 6-10)**	**(Yrs 11-15)**	**(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	22.25	22.25	22.25	22.25
Percentage of acres developed (percent lot coverage)	75%	75%	75%	75%
Number of acres developed at phase buildout	16.69	33.38	50.06	66.75
Calculation of CSA 152 Revenue				
BAU Value per developed acre	12	12	12	12
City's BAU Rate	$1.56	$1.56	$1.56	$1.56
Total Annual Revenue at Phase Buildout	$312	$625	$937	$1,250

CSA 152 Revenue				
	Buildout Phase			
	Phase I (Yrs 1-5)	Phase II (Yrs 6-10)	Phase III (Yrs 11-15)	Phase IV (Yrs 16-20)
Total CSA 152 Revenue from Residential Development	$2,376	$4,752	$7,128	$9,504
Total CSA 152 Revenue from Industrial Development	$411	$821	$1,232	$1,643
Total CSA 152 Revenue from all Development	**$2,787**	**$5,573**	**$8,360**	**$11,146**

CFD 2010-01 **from Single-Family Residential Development**				
Land Use Designation: Rural Desert (0-1 du/10 ac) *Total No. Acres Lost to Conservation: 936 acres* *No. of Potential Buildout Units: 72*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
*Number of acres developed during this phase	234.00	234.00	234.00	234.00
*Maximum density permitted (units/acre)	0.10	0.10	0.10	0.10
Potential dwelling units constructed during this phase[1]	18	18	18	18
Total potential dwelling units constructed at phase buildout	18	36	54	72
Number of total parcels existing at phase buildout[2]	18	36	54	72
Calculation of CFD Revenue				
BU Value per dwelling unit	1	1	1	1
City's BU Rate	$400.00	$400.00	$400.00	$400.00
Total Annual Revenue at Phase Buildout	$7,200.00	$14,400.00	$21,600.00	$28,800.00

Land Use Designation: Residential Estates (0-1 du/10 ac) *Total No. of Acres Lost to Conservation: 233* *No.of Potential Buildout Units: 16*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during this phase	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)	0.10	0.10	0.10	0.10
Potential dwelling units constructed during this phase[1]	4	4	4	4
Total potential dwelling units constructed at phase buildout	4	8	12	16
Number of total parcels existing at phase buildout[2]	4	8	12	16
Calculation of CFD Revenue				
BU Value per dwelling unit	1	1	1	1
City's BU Rate	$400.00	$400.00	$400.00	$400.00
Total Annual Revenue at Phase Buildout	$1,600.00	$3,200.00	$4,800.00	$6,400.00

[2] Assumes each future dwelling unit will occupy its own parcel.

Land Use Designation: Rural Residential (0-1 du/5ac) *Total No. of Acres Lost to Conservation: 465* *No.of Potential Buildout Units: 68*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during this phase	116.25	116.25	116.25	116.25
Maximum density permitted (units/acre)	0.20	0.20	0.20	0.20
Potential dwelling units constructed during this phase[1]	17	17	17	17
Total potential dwelling units constructed at phase buildout	17	34	51	68
Number of total parcels existing at phase buildout[2]	17	34	51	68
Calculation of CFD Revenue				
BU Value per dwelling unit	1	1	1	1
City's BU Rate	$400.00	$400.00	$400.00	$400.00
Total Annual Revenue at Phase Buildout	$6,800.00	$13,600.00	$20,400.00	$27,200.00

[2] Assumes each future dwelling unit will occupy its own parcel.

Land Use Designation: Low Density (0-5 du/ac) *Total No. of Acres Lost to Conservation: 259* *No.of Potential Buildout Units: 972*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during this phase	64.75	64.75	64.75	64.75
Maximum density permitted (units/acre)	5	5	5	5
Potential dwelling units constructed during this phase[1]	243	243	243	243
Total potential dwelling units constructed at phase buildout	243	486	729	972
Number of total parcels existing at phase buildout[2]	243	486	729	972
Calculation of CFD Revenue				
BU Value per dwelling unit	1	1	1	1
City's BU Rate	$400.00	$400.00	$400.00	$400.00
Total Annual Revenue at Phase Buildout	$97,200.00	$194,400.00	$291,600.00	$388,800.00

[2] Assumes each future dwelling unit will occupy its own parcel.

Land Use Designation: Low Density w/SP (0-5 du/ac) *Total No. of Acres Lost to Conservation: 1,167* *No.of Potential Buildout Units: 4,376*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during this phase	291.75	291.75	291.75	291.75
Maximum density permitted (units/acre)	5	5	5	5
Potential dwelling units constructed during this phase[1]	1,094	1,094	1,094	1,094
Total potential dwelling units constructed at phase buildout	1,094	2,188	3,282	4,376
Number of total parcels existing at phase buildout[2]	1,094	2,188	3,282	4,376
Calculation of CFD Revenue				
BU Value per dwelling unit	1	1	1	1
City's BU Rate	$400.00	$400.00	$400.00	$400.00
Total Annual Revenue at Phase Buildout	$437,600.00	$875,200.00	$1,312,800.00	$1,750,400.00

[2] Assumes each future dwelling unit will occupy its own parcel.

Land Use Designation: Medium Density (0-8 du/ac) *Total No. of Acres Lost to Conservation: 16 acres* *No.of Potential Buildout Units: 96*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during this phase	4.00	4.00	4.00	4.00
Maximum density permitted (units/acre)	8	8	8	8
Potential dwelling units constructed during this phase[1]	24	24	24	24
Total potential dwelling units constructed at phase buildout	24	48	72	96
Number of total parcels existing at phase buildout[2]	24	48	72	96
Calculation of CFD Revenue				
BU Value per dwelling unit	0.60	0.60	0.60	0.60
City's BU Rate	$400.00	$400.00	$400.00	$400.00
Total Annual Revenue at Phase Buildout	$424.60	$448.60	$472.60	$496.60

[2] Assumes each future dwelling unit will occupy its own parcel.

Land Use Designation: High Density w/SP(0-14 du/ac) *Total No. Acres Lost to Conservation: 47 acres* *No. of Potential Buildout Units: 492*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during this phase	11.75	11.75	11.75	11.75
Maximum density permitted (units/acre)	14	14	14	14
Potential dwelling units constructed during this phase[1]	123	123	123	123
Total potential dwelling units constructed at phase buildout	123	246	369	492
	123	246	369	492
Calculation of CFD Revenue				
BU Value per dwelling unit	0.60	0.60	0.60	0.60
City's BU Rate	$20.00	$20.00	$20.00	$20.00
Total Annual Revenue at Phase Buildout	$143.60	$266.60	$389.60	$512.60

Land Use Designation: Light Industrial (I-L) *Total No. Acres Lost to Conservation: 38.48 acres* *No. of Potential Buildout Units:569,904*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Number of acres developed during this phase	9.62	9.62	9.62	9.62
Calculation of CFD Revenue				
BU Value per Acre	2.00	2.00	2.00	2.00
City's BU Rate	$400.00	$400.00	$400.00	$400.00
Total Annual Revenue at Phase Buildout	$7,696.00	$7,696.00	$7,696.00	$7,696.00

Land Use Designation: Light Industrial (LI) *Total No. Acres Lost to Conservation: 161.61 acres* *No. of Potential Buildout Units: 2,393,360*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Number of acres developed during this phase	40.40	40.40	40.40	40.40
Calculation of CFD Revenue				
BU Value per Acre	2.00	2.00	2.00	2.00
City's BU Rate	$400.00	$400.00	$400.00	$400.00
Total Annual Revenue at Phase Buildout	$32,322.00	$32,322.00	$32,322.00	$32,322.00

[1] Assumes existing parcels will not be subdivided when developed.

Lighting & Landscaping District Revenue				
	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Total CFD Revenue from Single-Family Resid. Development	$550,400	$1,100,800	$1,651,200	$2,201,600
Total CFD Revenue from Multi-Family Resid. Development	$568	$715	$862	$1,009
Total CFD Revenue from Industrial Development	$40,018	$40,018	$40,018	$40,018
Total Annual CFD Revenue from all development	**$590,986**	**$1,141,533**	**$1,692,080**	**$2,242,627**

Costs of General Government				
Land Use Designation: Rural Desert (0-1 du/10 ac)	**Buildout Phase**			
Total No. of Acres Lost to Conservation: 936	**Phase I**	**Phase II**	**Phase III**	**Phase IV**
No.of Potential Buildout Units: 72	**(Yrs 1-5)**	**(Yrs 6-10)**	**(Yrs 11-15)**	**(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	234.00	234	234	234
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[1]	18	18	18	18
Number of total potential units constructed at phase buildout	18	36	54	72
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	52	104	156	207
Calculating Annual Costs of General Government				
General Fund Expenditures, FY 2010-11	$4,119,709	$4,119,709	$4,119,709	$4,119,709
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of General Government	$153.66	$153.66	$153.66	$153.66
Annual Cost of General Government at Phase Buildout	$7,966	$15,931	$23,897	$31,862

Land Use Designation: Residential Estates (0-1 du/10 ac) *Total No. of Acres Lost to Conservation: 233* *No.of Potential Buildout Units: 16*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[1]	4	4	4	4
Number of total potential units constructed at phase buildout	4	8	12	16
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	12	23	35	46
Calculating Annual Costs of General Government				
General Fund Expenditures, FY 2010-11	$4,119,709	$4,119,709	$4,119,709	$4,119,709
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of General Government	$153.66	$153.66	$153.66	$153.66
Annual Cost of General Government at Phase Buildout	$1,770	$3,540	$5,310	$7,081

Land Use Designation: Rural Residential (0-1 du/5ac) *Total No. of Acres Lost to Conservation: 465* *No.of Potential Buildout Units: 68*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	116.25	116.25	116.25	116.25
Maximum density permitted (units/acre)	0.2	0.2	0.2	0.2
Maximum potential units constructed during this phase[1]	17	17	17	17
Number of total potential units constructed at phase buildout	17	34	51	68
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	49	98	147	196
Calculating Annual Costs of General Government				
General Fund Expenditures, FY 2010-11	$4,119,709	$4,119,709	$4,119,709	$4,119,709
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of General Government	$153.66	$153.66	$153.66	$153.66
Annual Cost of General Government at Phase Buildout	$7,523	$15,046	$22,569	$30,092

Land Use Designation: Low Density (0-5 du/ac) *Total No. of Acres Lost to Conservation: 259* *No.of Potential Buildout Units: 972*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	64.75	64.75	64.75	64.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase[1]	243	243	243	243
Number of total potential units constructed at phase buildout	243	486	729	972
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	700	1,400	2,100	2,799
Calculating Annual Costs of General Government				
General Fund Expenditures, FY 2010-11	$4,119,709	$4,119,709	$4,119,709	$4,119,709
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of General Government	$153.66	$153.66	$153.66	$153.66
Annual Cost of General Government at Phase Buildout	$107,536	$215,071	$322,607	$430,142

Land Use Designation: Low Density w/SP (0-5 du/ac) *Total No. of Acres Lost to Conservation: 1,167* *No.of Potential Buildout Units: 4,376*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	291.75	291.75	291.75	291.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase[1]	1,094	1,094	1,094	1,094
Number of total potential units constructed at phase buildout	1,094	2,188	3,282	4,376
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	3,151	6,301	9,452	12,603
Calculating Annual Costs of General Government				
General Fund Expenditures, FY 2010-11	$4,119,709	$4,119,709	$4,119,709	$4,119,709
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of General Government	$153.66	$153.66	$153.66	$153.66
Annual Cost of General Government at Phase Buildout	$484,131	$968,263	$1,452,394	$1,936,526

Land Use Designation: Medium Density (0-8 du/ac) *Total No. of Acres Lost to Conservation: 16 acres* *No.of Potential Buildout Units: 96*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	4.00	4.00	4.00	4.00
Maximum density permitted (units/acre)	8	8	8	8
Maximum potential units constructed during this phase[1]	24	24	24	24
Number of total potential units constructed at phase buildout	24	48	72	96
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	69.12	138.24	207.36	276.48
Calculating Annual Costs of General Government				
General Fund Expenditures, FY 2010-11	$4,119,709	$4,119,709	$4,119,709	$4,119,709
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of General Government	$153.66	$153.66	$153.66	$153.66
Annual Cost of General Government at Phase Buildout	$10,621	$21,242	$31,862	$42,483

Land Use Designation: High Density w/SP(0-14 du/ac) *Total No. Acres Lost to Conservation: 47 acres* *No. of Potential Buildout Units: 492*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	11.75	11.75	11.75	11.75
Maximum density permitted (units/acre)	14	14	14	14
Maximum potential units constructed during this phase[1]	123	123	123	123
Number of total potential units constructed at phase buildout	123	246	369	492
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	354	708	1,063	1,417
Calculating Annual Costs of General Government				
General Fund Expenditures, FY 2010-11	$4,119,709	$4,119,709	$4,119,709	$4,119,709
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of General Government	$153.66	$153.66	$153.66	$153.66
Annual Cost of General Government at Phase Buildout	$54,432	$108,863	$163,295	$217,726

Costs of General Government				
	Buildout Phase			
	Phase I (Yrs 1-5)	Phase II (Yrs 6-10)	Phase III (Yrs 11-15)	Phase IV (Yrs 16-20)
Annual Costs of General Gov. for all development	$673,978	$1,347,957	$2,021,935	$2,695,913

Costs of Public Safety				
Land Use Designation: Rural Desert (0-1 du/10 ac)	**Buildout Phase**			
Total No. of Acres Lost to Conservation: 936	**Phase I**	**Phase II**	**Phase III**	**Phase IV**
No.of Potential Buildout Units: 72	**(Yrs 1-5)**	**(Yrs 6-10)**	**(Yrs 11-15)**	**(Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	234.00	234	234	234
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[1]	18	18	18	18
Number of total potential units constructed at phase buildout	18	36	54	72
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	52	104	156	207
Calculating Annual Costs of Public Safety				
Public Safety Expenditures, FY 2010-11	$9,573,455	$9,573,455	$9,573,455	$9,573,455
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of Public Safety	$357.07	$357.07	$357.07	$357.07
Annual Cost of Public Safety at Phase Buildout	$18,511	$37,021	$55,532	$74,042

Land Use Designation: Residential Estates (0-1 du/10 ac) *Total No. of Acres Lost to Conservation: 233* *No.of Potential Buildout Units: 16*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	58.25	58.25	58.25	58.25
Maximum density permitted (units/acre)	0.1	0.1	0.1	0.1
Maximum potential units constructed during this phase[1]	4	4	4	4
Number of total potential units constructed at phase buildout	4	8	12	16
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	12	23	35	46
Calculating Annual Costs of Public Safety				
Public Safety Expenditures, FY 2010-11	$9,573,455	$9,573,455	$9,573,455	$9,573,455
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of Public Safety	$357.07	$357.07	$357.07	$357.07
Annual Cost of Public Safety at Phase Buildout	$4,113	$8,227	$12,340	$16,454

Land Use Designation: Rural Residential (0-1 du/5ac) *Total No. of Acres Lost to Conservation: 465* *No.of Potential Buildout Units: 68*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	116.25	116.25	116.25	116.25
Maximum density permitted (units/acre)	0.2	0.2	0.2	0.2
Maximum potential units constructed during this phase[1]	17	17	17	17
Number of total potential units constructed at phase buildout	17	34	51	68
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	49	98	147	196
Calculating Annual Costs of Public Safety				
Public Safety Expenditures, FY 2010-11	$9,573,455	$9,573,455	$9,573,455	$9,573,455
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of Public Safety	$357.07	$357.07	$357.07	$357.07
Annual Cost of Public Safety at Phase Buildout	$17,482	$34,964	$52,447	$69,929

Land Use Designation: Low Density (0-5 du/ac) *Total No. of Acres Lost to Conservation: 259* *No.of Potential Buildout Units: 972*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	64.75	64.75	64.75	64.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase[1]	243	243	243	243
Number of total potential units constructed at phase buildout	243	486	729	972
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	700	1,400	2,100	2,799
Calculating Annual Costs of Public Safety				
Public Safety Expenditures, FY 2010-11	$9,573,455	$9,573,455	$9,573,455	$9,573,455
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of Public Safety	$357.07	$357.07	$357.07	$357.07
Annual Cost of Public Safety at Phase Buildout	$249,893	$499,786	$749,680	$999,573

Land Use Designation: Low Density w/SP (0-5 du/ac) *Total No. of Acres Lost to Conservation: 1,167* *No.of Potential Buildout Units: 4,376*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	291.75	291.75	291.75	291.75
Maximum density permitted (units/acre)	5	5	5	5
Maximum potential units constructed during this phase[1]	1,094	1,094	1,094	1,094
Number of total potential units constructed at phase buildout	1,094	2,188	3,282	4,376
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	3,151	6,301	9,452	12,603
Calculating Annual Costs of Public Safety				
Public Safety Expenditures, FY 2010-11	$9,573,455	$9,573,455	$9,573,455	$9,573,455
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of Public Safety	$357.07	$357.07	$357.07	$357.07
Annual Cost of Public Safety at Phase Buildout	$1,125,034	$2,250,067	$3,375,101	$4,500,134

Land Use Designation: Medium Density (0-8 du/ac) *Total No. of Acres Lost to Conservation: 16 acres* *No.of Potential Buildout Units: 96*	**Buildout Phase**			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	4.00	4.00	4.00	4.00
Maximum density permitted (units/acre)	8	8	8	8
Maximum potential units constructed during this phase[1]	24	24	24	24
Number of total potential units constructed at phase buildout	24	48	72	96
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	69	138	207	276
Calculating Annual Costs of Public Safety				
Public Safety Expenditures, FY 2010-11	$9,573,455	$9,573,455	$9,573,455	$9,573,455
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of Public Safety	$357.07	$357.07	$357.07	$357.07
Annual Cost of Public Safety at Phase Buildout	$24,681	$49,362	$74,042	$98,723

Land Use Designation: High Density w/SP(0-14 du/ac) *Total No. Acres Lost to Conservation: 47 acres* *No. of Potential Buildout Units: 492*	**Buildout Phase** **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Land Use Buildout Data				
Number of acres developed during phase	11.75	11.75	11.75	11.75
Maximum density permitted (units/acre)	14	14	14	14
Maximum potential units constructed during this phase[1]	123	123	123	123
Number of total potential units constructed at phase buildout	123	246	369	492
Average number of persons per household (year 2010)	2.880	2.880	2.880	2.880
Total no. of potential residents at phase buildout	354	708	1,063	1,417
Calculating Annual Costs of Public Safety				
Public Safety Expenditures, FY 2010-11	$9,573,455	$9,573,455	$9,573,455	$9,573,455
Population of Jurisdiction (year 2010)	26,811	26,811	26,811	26,811
Annual Per Capita Cost of Public Safety	$357.07	$357.07	$357.07	$357.07
Annual Cost of Public Safety at Phase Buildout	$126,489	$252,978	$379,467	$505,957

Costs of Public Safety

	Buildout Phase **Phase I (Yrs 1-5)**	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
Annual Costs of Public Safety for all development	**$1,566,203**	**$3,132,406**	**$4,698,609**	**$6,264,812**

Costs of Roadway Maintenance				
	Buildout Phase			
	Phase I (Yrs 1-5)	Phase II (Yrs 6-10)	Phase III (Yrs 11-15)	Phase IV (Yrs 16-20)
Roadway Data				
Total land area in jurisdiction (square miles)	29	29	29	29
Number of paved road miles in jurisdiction (year 2011)	135	135	135	135
Number of road miles per square mile of land area	4.6	4.6	4.6	4.6
Total Area designated for conservation (square miles)[1]	10.10	10.10	10.10	10.10
Total no. of potential road miles in conservation area	46.5	46.5	46.5	46.5
No. of potential road miles in conservation area at phase buildout	11.6	23.3	34.9	46.5
Calculation of Annual Roadway Maintenance Costs				
Total Annual Roadway Maintenance Expenditures	$88,777	$88,777	$88,777	$88,777
Number of paved road miles in jurisdiction	135	135	135	135
Annual Cost of Roadway Maintenance Per Road Mile	$658	$658	$658	$658
Annual Cost of Roadway Maintenance at Phase Buildout	**$7,651**	**$15,301**	**$22,952**	**$30,602**

Total Potential Costs/Revenues Associated with Development of Conservation Lands
Summary Table - City of Desert Hot Springs

	Buildout Phase			
	Phase I (Yrs 1-5)	**Phase II (Yrs 6-10)**	**Phase III (Yrs 11-15)**	**Phase IV (Yrs 16-20)**
ANNUAL REVENUES				
General Fund:				
Property Tax	$540,002	$1,080,004	$1,620,005	$2,160,006
Property Transfer Tax	$186,666	$251,729	$307,493	$371,556
Local Sales Tax	$111,383	$222,766	$334,149	$445,532
Transient Occupancy Tax	$0	$0	$0	$0
Utility Tax	$417,645	$835,290	$1,252,936	$1,670,581
Motor Vehicle In-Lieu Revenue	$12,896	$25,791	$38,687	$51,582
Restricted Funds:				
TUMF Fees	$3,176,339	$3,176,339	$3,176,339	$3,176,339
Highway Users Gas Tax	$70,838	$141,676	$212,513	$283,351
Measure A	$140	$281	$421	$561
CSA 152 (NPDES)	$2,787	$5,573	$8,360	$11,146
Community Facilities District	$590,986	$1,141,533	$1,692,080	$2,242,627
Public Safety Tax	$217,259	$382,030	$546,804	$711,577
ANNUAL COSTS				
General Fund:				
General Government Costs	$673,978	$1,347,957	$2,021,935	$2,695,913
Restricted Funds:				
Public Safety Costs	$1,566,203	$3,132,406	$4,698,609	$6,264,812
Roadway Maintenance Costs	$7,651	$15,301	$22,952	$30,602
TUMF Allocation to CVAG	$3,176,339	$3,176,339	$3,176,339	$3,176,339
SUMMARY OF REVENUES/COSTS:				
Revenues:				
Total Annual General Fund Revenues	$1,268,592	$2,415,581	$3,553,269	$4,699,257
Total Annual Restricted Fund Revenues	$4,058,348	$4,847,431	$5,636,517	$6,425,601
Revenue Subtotal	$5,326,940	$7,263,012	$9,189,786	$11,124,858
Historic Average Interest Rate on 90-Day Treasury Bills	5.03%	5.03%	5.03%	5.03%
Anticipated Interest Earned on Revenues	$267,945	$365,330	$462,246	$559,580
Total Annual Revenues at Phase Buildout	$5,594,885	$7,628,342	$9,652,032	$11,684,438
Costs:				
Total Annual General Fund Costs	$673,978	$1,347,957	$2,021,935	$2,695,913
Total Annual Restricted Fund Costs	$4,750,192	$6,324,046	$7,897,900	$9,471,753
Total Annual Costs at Phase Buildout	$5,424,171	$7,672,002	$9,919,834	$12,167,666
Annual Cashflow at Phase Buildout	**$170,715**	**-$43,661**	**-$267,802**	**-$483,228**